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Daily Report

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General

Foreign Ministry Holds Weekly News Briefing

Denounces Panama 'Invasion'

OW2112033089 Beijing XINHUA in English
0222 GMT 21 Dec 89

[Text] Beijing, December 21 (XINHUA)—A Chinese Foreign Ministry spokesman today denounced the U.S. invasion of Panama.

He said: "The United States launched a military invasion of Panama on December 20. That constitutes an infringement against a sovereign state of the Third World and violates the norms of international law and the aims and purposes of the United Nations Charter. We were shocked and condemn this act."

He continued: "We have always maintained that the Five Principles of Peaceful Co-existence should be strictly followed in relations between different countries. We firmly oppose any country's interference in the internal affairs of another country under any pretext and in any form, particularly by the use of military force."

"The independence and sovereignty of Panama should be respected, and the United States should immediately stop the military invasion of Panama so as to prevent a deterioration of the situation."

Discusses Ties With U.S.

HK2112101689 Beijing XINHUA in English
1010 GMT 21 Dec 89

["China Welcomes Positive Steps To Normalize Sino-U.S. Relations: Spokesman"—XINHUA headline]

[Text] Beijing, December 21 (XINHUA)—A Chinese Foreign Ministry spokesman said here today that U.S. President George Bush's approval of exporting three telecommunication satellites, which are to be launched by China, and his authorization to the American Imports and Exports Bank to resume export credits to China are positive steps helpful to the normalization of Sino-U.S. relations.

"We welcome this," Jin Guihua said at a weekly news briefing this afternoon.

In response to a question, the spokesman confirmed that last July at the request of the U.S. side, the Chinese side received President Bush's special envoy Brent Scowcroft.

Jin said that such high-level contacts between the two countries are beneficial and can help promote mutual understanding.

Comments on Romania

HK2112101089 Beijing XINHUA in English
0957 GMT 21 Dec 89

[Text] Beijing, December 21 (XINHUA)—"We believe that Romania can properly handle its own affair," a Chinese Foreign Ministry spokesman said here today.

Asked to comment on the latest development of the situation in Romania at a weekly news briefing, the spokesman said what is happening in some of the Eastern European countries is the internal affairs of these countries.

"China never interferes in the internal affairs of other countries," he added.

Views UN Role in Cambodia

OW2112113189 Beijing XINHUA in English
1117 GMT 21 Dec 89

[Text] Beijing, December 21 (XINHUA)—China favors Australia's proposal for strengthening the United Nations' role in a political settlement of the Kampuchea issue, a Chinese Foreign Ministry spokesman told a news briefing here today.

As to what a role the United Nations should play in settling the Kampuchea issue, he said, the United Nations and UN secretary general should "play an important role in the process of a political settlement of the Kampuchea issue, especially in the establishment of the international supervision mechanism and international guarantee."

Spokesman Jin Guihua was answering questions concerning the recent visit to China by deputy secretary of the Australian Ministry of Foreign Affairs and Trade, Michael Costello, and Australian Foreign Minister G. Evans' new proposal on settling the Kampuchea issue.

The spokesman reiterated China's consistent stand on the Kampuchea problem, saying Vietnam must genuinely and completely withdraw all its troops from Kampuchea under strict and effective international supervision.

During the transitional period between Vietnamese troops withdrawal and a general election, he said, a provisional four-party coalition government should be set up in Kampuchea, which is headed by Prince Sihanouk.

"We still believe that this is the best formula for a fair and reasonable political settlement of the Kampuchea issue because it will help guarantee that Kampuchea will become a truly independent, neutral, peaceful and non-aligned country," Jin said.

During Costello's visit, he said, the two sides also exchanged views on bilateral relations. Both sides agreed that development of Sino-Australian friendly relations not only conforms to the long-term interests of both peoples, but will benefit the stability and prosperity of the Asia-Pacific region as well, he said.

Views UK Abode Plan

OW2112120089 Beijing XINHUA in English
1122 GMT 21 Dec 89

[Text] Beijing, December 21 (XINHUA)—A Chinese Foreign Ministry spokesman said here today that the Chinese Government's basic attitude towards the British Government's granting 50,000 Hong Kong families the right to live in Britain is that both sides should act by the Sino-British Joint Declaration and the memorandum exchanged on the signing of the declaration.

The spokesman made the comment in response to a question at the weekly news briefing today.

China is still studying the plan announced by the British Government and reserves the right to make further comment on it, he said.

Reportage on Reaction to Situation in Panama**Ambassador Li Condemns 'Invasion'**

OW2112071489 Beijing XINHUA in English
0639 21 Dec 89

[Text] United Nations, December 20 (XINHUA)—China today strongly condemned the U.S. military invasion of Panama and called for the immediate cessation of the U.S. action and the total withdrawal of invading U.S. troops from the country.

"The Chinese delegation expresses its utmost shock at and strong condemnation of this aggressive action of the United States," Chinese Ambassador Li Luye told the Security Council as he was addressing the council's urgent meeting on the U.S. action this evening.

The Chinese delegation "strongly calls on the United States to immediately cease this aggressive action" and "unconditionally withdraw all its invading troops from Panama," Ambassador Li said.

This is the first official Chinese Government reaction here to the U.S. action since U.S. President George Bush ordered early this morning 24,000 new troops to Panama to attack the Panamanian Government troops led by General Manuel Antonio Noriega.

According to reports reaching here, during the U.S. military attack, more than 100 Panamanian civilians and 11 U.S. soldiers have been killed so far. There were also 59 U.S. soldiers wounded and about 40 held hostage by Noriega's troops.

The United States has said that it exercised its "rights of self-defense" to respond to the "armed attacks by forces under the direction of Noriega" and to "protect American lives and our obligations to defend the integrity of the Panama Canal treaties."

Ambassador Li, joining a number of countries at the council meeting condemning the U.S. action, said that the U.S. invasion "has not only gravely violated the

purposes of the U.N. Charter and the norms governing international relations, but run counter to the relaxing international situation and the wishes of the world's people."

"The U.S. action can only aggravate the tension in the region and have a serious negative impact on peace and stability in the world," he told the council.

The council's urgent meeting was called at the request of the Nicaraguan Government, which says the U.S. military aggression against Panama also constitutes a serious threat to the peace and security in Latin America as a whole.

The United States should "give respect to the independence and sovereignty of Panama," Ambassador Li said, it should "hold talks with the country, seek to resolve their disputes through peaceful means and prevent the current situation from deteriorating any further."

The Security Council meeting was held after day-long consultations between members of the Security Council and other U.N. members concerned.

According to U.N. officials, the council is going to continue its meeting tomorrow and a draft resolution condemning the U.S. action and demanding the U.S. withdrawal is expected to be brought up to the council.

However, whatever actions the Security Council might try to take, it will face the U.S. veto, a power that only the five permanent members of the council have.

Security Council Condemnation

OW2112093289 Beijing XINHUA in English
0831 GMT 21 Dec 89

[Text] United Nations, December 20 (XINHUA)—The U.S. military invasion of Panama was strongly condemned at the UN Security Council as it convened an urgent meeting to discuss the U.S. military action against a sovereign state this evening.

Nicaraguan Ambassador Alejandro Serrano Caldera, who requested the council meeting this morning, said that the U.S. military aggression against Panama, a sovereign state, is "in clear violation of the UN Charter and the international law."

Early this morning, the United States invaded Panama with 24,000 troops in what it called a "self-defense" against the "armed attacks by forces under the direction of Manuel Noriega," Panama's strongman who has been demanded by the United States to step down and accused of drug trafficking.

According to reports, during the U.S. attack, more than 100 Panamanians have been killed so far and 11 U.S. soldiers have died. In addition, 59 U.S. soldiers were wounded and another 40 Americans were captured by Noriega's troops.

Joining the Nicaraguan ambassador in condemning the U.S. military action, Soviet Ambassador Aleksandr M. Belonogov also told the Security Council that the "bloodshed" caused by the U.S. invasion was "intolerable."

"Whatever the argument might be used," he said, "it was a flagrant violation of the UN Charter and must be condemned by the international community."

He also criticised the United States for its aggressive foreign policy. The U.S. action today "is related to the nature of the U.S. foreign policy," Belonogov told the 15 members of the Security Council.

Chinese Ambassador Li Luye also condemned the U.S. military invasion of Panama. He said that the U.S. action "has not only gravely violated the purposes of the UN Charter and the norms governing international relations, but run counter to the relaxing international situation and the wishes of the world's people."

The Chinese ambassador called on the United States to immediately cease its military actions in Panama and unconditionally pull out all its invading troops.

In his statement at the Security Council, Nicaraguan Ambassador Caldera also called on the council to demand an immediate withdrawal of U.S. troops from Panama.

According to diplomats close to the Nicaraguan mission, Nicaragua has presented a draft resolution to the Security Council, which, among other things, mainly condemns the U.S. invasion and demands the immediate U.S. withdrawal.

However, UN diplomats said that since the United States is one of the five permanent members of the Security Council which have the power of veto, whatever actions the council may try to do will face the U.S. veto.

"That veto will only add to its (the United States) guilt," Ambassador Caldera said.

France, Canada and Britain also took floor at the meeting. The representatives of those three countries all chose to use mild words like "regrettable and deplorable" when they spoke of the U.S. military action against Panama. However, Britain also expressed "full support" for the U.S. action.

U.S. Ambassador Thomas Pickering, defending his government's position, repeated that his government used the armed troops only to "safeguard the lives of Americans, to defend democracy in Panama, to combat drug trafficking and to protect the integrity of the Panama Canal Treaty."

The Security Council will continue the meeting tomorrow morning. But UN officials have said before the council resumes its meeting tomorrow, the members of the council will first hold consultations on the credentials of the Panamanian representative, because the

United States has said Panama should be represented by the new government established last night following the U.S. invasion.

Security Council Action Urged

OW2112011389 Beijing XINHUA in English
0034 GMT 21 Dec 89

[Text] United Nations, December 20 (XINHUA)—The U.N. Security Council was urged today to convene "an urgent meeting" to consider the U.S. military attack against Panama, where 24,000 U.S. Troops had been sent in exercise of what Washington called its "right of self-defense."

In a letter to Colombian Ambassador Enrique Penalosa, the council's president this month, the Nicaraguan Government asked the council to call immediately such a meeting because the U.S. action "represents not only a flagrant disrespect for the territory integrity of a sovereign nation, but also a serious threat to the peace and security of Latin America."

The Nicaraguan request came just hours after U.S. President George Bush ordered early this morning to send 24,000 new troops to Panama to attack the government led by Panamanian strongman General Manuel Antonio Noriega.

In a letter to the Security Council president today, U.S. Ambassador Thomas Pickering said his country took the action "in response to armed attacks by forces under the direction of Noriega" and to "protect American lives and our obligations to defend the integrity of the Panama Canal treaties."

Reports from Panama have said Noriega has been ousted and Guillermo Endara, the country's elected president who has not been recognized by Noriega on the ground that the election last May was frauded, has been sworn in and his government has assumed its positions.

The 15 members of the Security Council have been consulting since this morning to consider what action should be taken.

According to sources close to the council, the United States has been trying to hold up an urgent meeting of the council by insisting that Panama should be represented by the new government led by Endara and the meeting should be attended by the new ambassador of Endara's government.

In the meantime, U.N. spokesman Francois Giuliani told reporters that U.N. Secretary-General Javier Perez de Cuellar was informed of the U.S. military action at 2 a.m. this morning by U.S. Secretary of State James Baker.

"The secretary-general has been following the situation in Panama minute by minute," he said.

The Security Council, many diplomats here said, would have the meeting anyway sometime today or tomorrow.

However, they also said the United States, one of the five permanent members of the council that have the veto power, would anyway vote against any actions to be taken by the council.

Soviet Ambassador Aleksandr M. Belonogov told reporters when he came out of the Security Council chamber this afternoon that the Soviet Government considers the U.S. action "deplorable."

"We consider that the principles of non-intervention and non-use of force should be applied to all cases. We regretted that the government of the United States resorted to use of force against a sovereign state," he said.

According to reports reaching here at this moment, during the U.S. attack, which was triggered off by the killing of a U.S. soldier in the U.S. South Command in Panama last week, nine U.S. soldiers have been killed, 39 wounded and one missing.

The Security Council will continue its informal consultations at 4:00 this afternoon and then decide whether to have a formal meeting today.

Column Compares Panama, Afghanistan

HK2112110889 Hong Kong HSIN WAN PAO
in Chinese 21 Dec 89 p 1

["New Talk" column: "The 1980's Also Ends With the Dispatch of Troops"]

[Text] War broke out on the other side of the globe only 5 days before "Christmas Eve" this year. President Bush of the United States first declared that he ordered U.S. troops into Panama to forestall grave danger to the 35,000 Americans living there; in addition, he said that the U.S. would apprehend Panamanian strongman General Noriega.

This is almost a copy of the incident at the end of 1979. Two days before the end of the 1970's, the USSR dispatched troops into Afghanistan. The war there lasted almost 10 years, and the USSR pulled its troops out of Afghanistan in failure only this year. It is a coincidence that the United States also sent airborne forces to invade Panama 10 days before the end of the 1980's. There is no essential difference between the current incident and the Soviet invasion of Afghanistan, which the United States all along lashed out at.

The U.S.-Soviet summit took place in Malta only a few weeks ago; the two sides expressed great hopes for peace in the wake of the summit, saying that the world had entered a period in which the cold war would end. Although the tension between the two powers and the two major military blocs has begun to be resolved, incidents of the strong bullying the weak, intervening in others' internal affairs, and even resorting to force continue.

Under the pretext of punishing Noriega for his drug trafficking, the United States has asserted its intention of

apprehending him. In reality, Noriega used to work for the U.S. Central Intelligence Agency [CIA]; but later he turned against the U.S. authorities. Hence the need for the United States to overthrow him, and to replace him with a government that promises obedience to the United States.

True, Noriega has been involved in drug trafficking, but that was the case even at the time he was cooperating with the CIA. It is just that the United States has pursued a double standard in different periods, based on its own interests.

The USSR dispatched its troops into Afghanistan, while sending a new president to that country. This time, the United States has put on the same act. On the one hand, the United States has launched a military attack; on the other, it has made arrangements for, and declared the swearing-in of, a new Panamanian president. But there are just far too many examples to prove how long are the life spans of governments in this category, which come into office with the support of foreign troops, and what their future is.

Regarding the reactions of various countries, there is more opposition than support regarding the current U.S. military action, while most countries have maintained silence and a wait-and-see attitude. That, in actuality, is a way of showing their disapproval. Even if the United States gains the upper hand militarily, politically, there will be much negative aftermath.

Those countries that have already openly voiced their opposition to the United States dispatching troops into Panama include such Central American states as Nicaragua (the United States has all along supported the contra forces in opposing the Nicaraguan Government); Libya (the United States also launched a sudden attack on that country in an attempt to kill al-Qadhafi by bombing); Yugoslavia (a major country of the Conference of Non-Aligned Countries); the USSR (which has recently acknowledged its mistake in dispatching troops to Afghanistan); and Spain (the earliest suzerain state of Panama, and Panama remains a Spanish-speaking nation).

Only British Prime Minister Mrs Thatcher has openly voiced support for the current U.S. action. Major EC nations such as France and the FRG have not yet expressed where they stand. Japan has stood quite aloof, saying that it will set up a provisional headquarters to collect information for the sake of protecting its citizens in Panama.

Noriega fled beforehand. Regarding his military strength, it is naturally quite difficult for him to resist the U.S. troops. However, Panama is, after all, his homeland. Noteworthy is whether there will be guerrilla war in the days to come, and whether the recently airlifted U.S. troops will continue to stay in Panama to conduct a protracted mopping-up, aside from the U.S. troops originally stationed in the Panama Canal Zone.

The more crucial point is the safety and operation of the Panama Canal. The canal was closed for a whole day yesterday. That was the first time in 76 years. It is said that the canal will be reopened today. Should there be any problems in the operation of the canal, such as an accident, it would affect world navigation, and even oil prices, and result in new difficulties for many trades.

The United States was already facing resistance from Cuba and Nicaragua in Central America, but there had been some relaxation recently. The effects of the incident of the United States dispatching its troops to Panama will not be confined to Panama alone; it will inevitably cause new blows to U.S. relations with Latin American countries.

Column Condemns U.S. Move

HK2112102589 Hong Kong HSIN WAN PAO
in Chinese 21 Dec 89 p 3

["Evening Talk" column by Yang Chu (5017 2612): "It Is Not Difficult To Tell the Right or Wrong of This Case"]

[Text]

Established Policy

It is the established policy of the United States to wipe out the Noriega regime. To implement this policy, the United States had adopted the method of backing the Panamanian opposition party in seizing power through elections as well as instigating a military coup d'etat. As both failed, the United States eventually had to dispatch troops to Panama.

Deep Hatred

The act of dispatching troops to invade a country is bound to evoke universal condemnation. The whole world, including the United States, had voiced strong condemnation of Vietnam's invasion of Cambodia and the Soviet Union's invasion of Afghanistan.

The United States dispatched troops to Panama though it was quite aware that the military incursion would evoke universal protest and condemnation. This shows how bitterly it hates the Noriega regime.

No Longer Obeying Orders

True, Noriega's participation in drug trafficking which turned the Bank of Panama into a headquarters for the drug traffickers of Latin America has irritated the United States. But the main reason is that Noriega refused to obey orders. Although he was a lackey of the United States, i.e. openly resisted orders from his master. For this reason, the United States wanted to eliminate him.

When Noriega was studying in a military academy in Brazil, he was enlisted by the CIA to find out the leftist tendency among students of the military academy and young Army officers.

Noriega continued to cooperate with the CIA when he assumed the military powers by succeeding Torrijos. He was backed by the United States, the relations between the two sides remained good, and Panama became a base for the United States to train anticommunist guerrillas.

He Did Not Want To Be Controlled

Later, Noriega grew disobedient. The benefits from the drug traffickers of Columbia far exceeded those from the United States. Moreover, he wanted authority and did not want to be controlled by others.

Noriega established close ties with Cuba and Nicaragua; this upset the United States.

The United States had its Southern Command Headquarters and military bases in Panama. Last year, 12,318 U.S. ships carrying 156.8 million tons of goods passed through the Panama Canal. Some 16 percent of the world's grain transactions, which include 33 percent of the grain exported by the United States, are transported through the canal. Herein lies the importance of the Panama Canal. The United States certainly cannot allow this canal to be menaced by Noriega.

The Failure on Two Occasions

On 7 May of this year, the Panamanian people elected Endara, backed by the United States, as their president. In his capacity as an observer, former U.S. President Carter was present on the occasion to examine the elections. However, Noriega rejected the results of the elections and planned to assassinate Endara. Endara escaped to the United States, but his guard was murdered. Following yesterday's dispatch of troops, Endara was sworn into office in the United States.

The United States failed in the military coup instigated on 3 October of this year. A number of officials were killed, and Noriega personally executed the rebel leaders.

A Sovereign State

As a matter of fact, it is not difficult to tell the right or wrong of this case. Since unpopularity of the Pol Pot regime cannot become an excuse for Vietnam to invade the country, how can notoriety of Noriega be an excuse for the United States to send troops to invade the country? After all, Panama is a sovereign state.

Article Reviews Last Decade's Events

GW2012145589 Beijing BEIJING REVIEW in English
No 51, 18-24 Dec 89 pp 11-16

[Article by Wang Lin: "The 1980's in Retrospect"]

[Text] With the approach of the 1990's the world faces a tremendous challenge combined with the hope of continued detente. This comes after a decade which saw the most significant changes the world has witnessed since World War II.

International Situation Tense

The arms race and regional contests between the two superpowers during the first half of the 1980's were intense, keeping the international situation in a state of turbulence. During the 1970's, the Soviet Union, seeing that the United States had turned inward to try to solve its many domestic difficulties, strengthened its military and expanded towards Southeast Asia, the Middle East, Africa and Central America, and even invaded Afghanistan. This placed the United States in an unfavourable position. During the American presidential election campaign in 1980, Ronald Reagan, complying with the rise of conservative forces and ideas within the United States, said he would revitalize America's strength and restore national spirit. He won the election. After taking office in 1981, he opted to use a strategy of "strength and negotiation" with the Soviet Union and pledged to double U.S. military spending in five years.

Meanwhile, the United States took the "offensive" against Soviet expansion in various areas to restore its position. Reagan stressed repeatedly that the United States had made a major strategic mistake by allowing the Soviets to wantonly expand in the Third World during the 1970's, and claimed that the United States would roll back Soviet influences. He also announced that the United States would increase its military support to Third World countries—\$9.7 billion in 1986 from \$5.1 billion in 1981. The United States provided modern weapons to the Afghan guerrillas, increased military support to Angola's antigovernment forces, strengthened military deterrence and subversion in Nicaragua, and contributed to potentially explosive contests with the Soviet Union in the Middle East, the Persian Gulf, Southeast Asia, Africa and Central America. The United States also carried out a "low-intensity war strategy" that would realize immediate results and avoid risking direct conflicts with the Soviet Union. This strategy was a means to gain superiority in some areas—the landing action in Grenada and raiding Libya being examples.

The Soviet Union was not to be outdone and fiercely counterattacked the U.S. "offensive" to try to maintain its position. In Afghanistan, the Soviet Union, on the one hand, encircled and suppressed the guerrillas to cut their connections with the outside world. On the other hand, it tried to consolidate the Kabul regime to help it strengthen its military and calm the Afghan people. The Soviet Union also continued to support Vietnam politically, economically and militarily in its invasion of Kampuchea, therefore increasing the difficulties of a political settlement of the Kampuchean problem. Moscow also sped up development of the Cam Ranh Bay naval base to project their power into Southeast Asia.

In general, U.S.-Soviet relations were deadlocked in confrontation. Although they hadn't completely closed the door to negotiations and tried to avoid direct conflicts that would aggravate the situation, each side attempted to win superiority, thus increasing international tensions.

Easing of Tensions

Since the mid-1980's, however, both the United States and the Soviet Union have been faced with more and more difficulties both at home and abroad. The international situation has undergone tremendous changes. Therefore, while continuing to rival each other, Washington and Moscow resumed high-level negotiations, creating a situation in which dialogue and confrontation coexist.

The arms race between the superpowers failed to enable one side to prevail over the other. Rather, it made both sides susceptible to being destroyed. Moreover, their economies suffered greatly. During the eight years of the Reagan Administration, a total of \$2 trillion went to military spending. Soviet leader Mikhail Gorbachev disclosed in May that his country's military spending amounted to 77.3 billion rubles (\$118 billion)—15.6 percent of the budget.

Gorbachev took office as general secretary of the Soviet Communist Party in March 1985, when his country was faced with mounting difficulties. The Soviet economy had ground to a halt with the growth rate decreasing dramatically from the late 1970's onwards and reaching only 2.6 percent in 1984. Agriculture registered poor harvests for many years in a row, resulting in serious shortages. Budgetary deficits piled up, accounting for 3 percent of the gross national product in 1985, and even increased in subsequent years. Science and technology gradually fell behind, with the distance from the United States widening except in a few basic scientific fields. This posed a challenge to Gorbachev in responding to U.S. arms race proposals, especially the Strategic Defence Initiative or "Star Wars" programme. Furthermore, the Soviet expansionist adventures in the 1970's proved to be a huge burden for Moscow.

Under the circumstances, Gorbachev adjusted both domestic and foreign policies, placing the acceleration of economic development before everything. He launched a reform programme that embraced both economic and political sectors, rectified the leadership at various levels and urged the people to raise working efficiency and labour productivity. In foreign affairs, he adopted a flexible and pragmatic attitude, broke the impasse in relations with the United States, improved ties with other Western countries, made efforts to normalize relations with China and endeavoured to reach disarmament agreements and seek political solutions to regional conflicts.

Meanwhile, the U.S. economy did no better than the Soviet one. In 1985 the financial deficit reached a record \$211.9 billion and the trade deficit rose to \$148.5 billion, also a record number. National debt amounted

to \$1,824 billion, with an annual interest of \$178 billion. the United States, as a world economic and financial giant, was greatly weakened and gradually turned into a debtor nation from a creditor nation, having to rely to investment from Japan, the European community and the four Asian "little dragons"—South Korea, Taiwan, Hong Kong and Singapore. Reagan's plan to expand U.S. military strength met with increasing opposition both inside and outside the United States. In light of this, in his 1984 campaign for re-election, Reagan made repeated overtures for detente with the Soviet Union. He said he was willing to conduct serious and constructive dialogues with the Soviet Union to establish more co-operative and accommodative relations.

U.S.-Soviet dialogues and negotiations were strengthened after Reagan's re-election in 1985. In March 1985, U.S.-Soviet arms control negotiations resumed in Geneva and later that year, on November 19 and 20, Gorbachev and Reagan met in Geneva, thus reopening the Soviet-U.S. summit meeting that was suspended for six years. Contracts and talks between the two sides in other areas and at different levels also increased.

The international situation in general has changed significantly. A multi-polarized world is taking shape. The defeated nations during World War II achieved economic miracles after several post-war decades of reconstruction, and have caught up with the Soviet Union and the United States and even surpassed them in many fields. Japan has become an economic giant, a creditor nation, and is attempting to become a political power. Its military expenditure exceeded 1 percent of the gross national product. In 1986, Japan's trade surplus, mostly with the United States, reached \$92.7 billion. All this has concerned the world, especially the Asian-Pacific region. At the same time the economic might of the European community, and in particular the Federal Republic of Germany, has increased rapidly. Bonn's exports exceeded those of Washington with a surplus of \$52.3 billion. Some countries and regions that used to enjoy U.S. preferential treatment, particularly the four Asian "little dragons," have also achieved considerable economic development and posed a threat to the United States. U.S. dominance in world economy is being replaced by a combination of three powers—the United States, Japan and the European community.

The unbalanced development of the world economy has made it impossible for the United States and the Soviet Union to dominate world politics, reducing the dependence of many countries on the superpowers. Eventually a new international relations pattern will emerge.

As well, a new industrial and technological revolution centered around an information explosion is posing challenges to all countries. It is estimated that by the end of this century and early next century breakthroughs will be achieved in some high-tech fields and put into service. This new revolution will raise production to a new high and will gradually transform social productivity and life,

exerting a deep influence on world economies and international relations. Advanced countries, especially the United States and the Soviet Union, feeling the future impact of this revolution on their comprehensive national strength and their standing in the world, have already started to compete for superiority in high technology.

The United States, taking advantage of its technological superiority, has competed successfully with the Soviet Union. But this superiority is being challenged by Japan and the European community, which have actually surpassed the United States in some aspects.

Though lagging far behind in science and technology, the Soviet Union is doing its utmost to catch up with the United States. Some developing countries are also struggling to keep pace with the world trend.

International and domestic changes have prompted many countries to carry out economic reforms and adjustments in an effort to resolve the problems in their economic development and raise productivity. Gorbachev is deepening his economic and political reforms. However, the many problems in the Soviet Union have been there for a long time and there is strong internal resistance. They cannot be surmounted overnight. It will not be easy for the United States to tackle its financial and trade deficits either, and it will be even more difficult for it to ease the internal and external dissension and conflicts. Raising taxes and controlling advance consumption at home will arouse complaints, and increasing exports and limiting imports will hurt relations with its allies.

A New Era for Dialogue

The world has witnessed a new period of detente and dialogue during the second half of the 1980's, with Soviet-U.S. dialogues going on and "hotspots" cooling down. Gorbachev developed a diplomatic "new thinking," and Reagan showed his liking for economic rivalry and initiatives in science and technology with the Soviet Union. From 1985 to 1988, there were a record four summits. Gorbachev also had a meeting with Reagan and George Bush, the newly elected president, when the Reagan Administration was about to shift power to Bush. Early this month, Bush and Gorbachev held their first informal meeting on board ships in the Mediterranean Sea. A formal summit is scheduled for next June.

Gorbachev and Reagan, at the third summit held in Washington on December 7, 1987, signed an agreement on an over-all elimination of intermediate-range missiles. This move, as the first time in history to eliminate nuclear weapons, drew worldwide attention, though the volume of this type of missile accounted for only 3 percent of the superpowers' entire nuclear arsenals. The procedures for destroying missiles came under mutual verification. The Soviet Union and the United States have also made headway in talks on cutting strategic nuclear weapons, conventional forces and chemical weapons. As well, Gorbachev made a commitment that the Soviet Union would unilaterally reduce the number

of troops and partially withdraw its troops and weapons from Eastern Europe and largely pull its troops out of Mongolia.

Currently, conflicts in "hotspots" either have been resolved or have eased. Within nine months from May 15, 1988, to February 15, 1989, the Soviet Union withdrew all its troops from Afghanistan. A ceasefire was reached in the eight-year-old Iran-Iraq war when the two sides finally accepted a United Nations' resolution. Through the efforts of the United States and the Soviet Union, hostilities in southwest Africa are nearing a solution. Angola, Cuba and South Africa reached an agreement in UN headquarters last year on the political settlement of disputes. Cuba was scheduled to withdraw all of its troops from Angola within 27 months beginning April 1 this year. Namibia will soon win its independence after recent general elections. As for the Middle East, the situation presents a favourable turn. The Palestine Liberation Organization accepted a UN resolution, which included the acknowledgement by the PLO of the right of Israel to exist. The PLO also declared the founding of the State of Palestine. Possibilities have also greatly increased for a political settlement of the Kampuchean dispute. Tensions in Central American have largely eased after several summits among the five countries concerned. Likewise, long-standing conflicts in the western Sahara, Chad, the Horn of Africa and Cyprus have been put on the course of political solution. The state-to-state and internal relations in some regions have seen improvement. The UN and some regional organizations are playing progressively important roles in peacefully settling disputes.

Unstable Factors

With the easing of tensions between the United States and the Soviet Union, it is estimated that there will be a fairly long period of detente and dialogue amidst a peaceful global environment. However, it must be remembered that the unstable factors leading to turbulence and war still exist. Although U.S. and Soviet economic strength has decreased, the two countries are still superpowers. They share a major influence in world politics and superior military positions.

With detente the United States and the Soviet Union will make more bargains while continuing to compete against each other. The emphasis will shift to seeking superiority in comprehensive national strength, particularly in economic science and technology. Both superpowers still possess nuclear and conventional weapons at unprecedented levels, continuously threatening world peace and other countries' national independence. The arms race has subsided, but neither side will relax in the fields of weapon improvement and military high-tech. They will continue to pursue a hegemonic policy and try to strengthen their control in all parts of the world. Although they want to resolve some regional conflicts by political means to avoid head-on confrontations, they will continue their carrot-and-stick approach to exert influence.

The easing of tensions between the United States and the Soviet Union, like their confrontation, is very complex. Both situations must be watched closely. Furthermore, the world is changing from a bipolar one to a multipolar one, and international relations are more complicated than in the past. The European Community will build an integrated market by 1992; the United States is trying to build a free trade zone under its control, and Japan plans the East Asian economic rim. Each country has its own considerations and none of them can make a compromise. The tense race in science and technology continues and many new disputes will emerge. The gap between the North and the South will widen, resulting in the rich becoming richer and the poor poorer.

East European countries have achieved some results in economic and political reforms, but face many difficulties. Because long-standing issues in these countries could not be resolved at once, and there is no experience to fall back on, it is unavoidable to make mistakes.

New thinking in the Soviet Union has caused quarrels at home and abroad. Some East European countries are carrying out some political reforms too quickly, and this has led to unrest and instability. Internal contradictions in the Third World, including those of political parties, armies, nationalities, religion and society, have intensified. Economic difficulties and the debt burden are also increasing. New conflicts within some countries or between countries will probably erupt. Some old conflicts may erupt again. Therefore, the unstable factors of the world still exist and it would be astute to remain vigilant.

It is worthy to note that the United States, backed by other Western developed capitalist countries, has stepped up its scheme for "peaceful evolution" towards the Soviet Union, China and East European socialist countries. It is a wanton attempt to overthrow the leadership of the Communist Party and change the socialist system. In recent years, relations between the East and West have eased while transactions and exchanges have constantly increased. The United States considers it can use this opportunity to infiltrate into socialist countries and interfere more brazenly than in the past.

It is well-known that socialist countries have rapidly developed their economies and politics after overthrowing reactionary rule and establishing the socialist system, displaying the strong vitality of socialism. However, in recent years their economies have stagnated and met with difficulties and disappointments. Under such circumstances these countries have conducted economic and political reforms to modernize. Naturally this is a tough task that cannot be resolved immediately. During this process new difficulties have appeared. The United States and other Western developed countries have taken these difficulties as a "big failure of communism," claiming it can be replaced with the Western system. They have said publicly that this opportunity to reform socialist countries to their benefit and then merge them into the

international community cannot be missed. The United States has also put forward a strategy to bring about "peaceful evolution" in socialist countries to realize its goal. The United States and other Western countries have also said reform in socialist countries needs Western capital and technology, which they can use as a political lever to exert influence. Of course, the anticommunist forces in these countries have always yearned for the collapse of socialist countries. They have never abandoned their ideology; the only difference is that their tactics are more glaring and brazen during the period of East-West relaxation than in times of tension. After the counterrevolutionary rebellion was quelled in Beijing in early June, the United States with help and support of some other countries launched an anti-China campaign. This clearly shows the found dream of capitalism.

Detente and dialogue have not weakened the struggle between capitalist and socialist systems and ideologies. On the contrary, it is sharper. The struggle of interference and counter-interference, subversion and counter-subversion and infiltration and counter-infiltration will continue.

Yearender Views Future World Economic Challenges

*OW2012223189 Beijing XINHUA in English
1324 GMT 19 Dec 89*

["Yearender: Economic Challenges in the 1990s" (by Li Changjiu)—XINHUA headline]

[Text] Beijing, December 19 (XINHUA)—The 1990s will be a decade marked by continuous global economic restructuring and clustered with challenges and opportunities for countries to develop their overall national strength in preparation for the 21st century.

The outgoing decade has witnessed profound changes in the global economic structure. As the superpowers are weakening economically due to mounting difficulties at home and abroad, some other industrialized countries are coming to the fore on the stage of global development.

Consequently, the two-way polarization of the United States and the Soviet Union, which has characterized world politics in the post-war period, is gradually growing into multiple polarization. This trend, while easing the tension of arms race and military confrontation, gives prominence to a new wave of contention for the overall national strength among countries across the world.

Economists predict that the United States, the Soviet Union, Japan, and Federal Germany, among many others, will vie fiercely with one another for stronger national strength during the 1990s' or even beyond.

The overall national strength of a country is measured by summing up its economic, political, scientific and technological, and military prowess, with the economic power as the underpinning benchmark.

In respect to the overall national strength, the United States is the world's most powerful nation, but it is facing relentless competition and challenge from Japan. The United States has become the world's largest debtor country, with a total debt of 600 billion dollars, while Japan has become the largest lender in the world.

The Soviet Union is the second most powerful nation in terms of its overall national strength, but its gross national product is behind that of Japan. Now the Soviets are facing the danger of being caught up with by Japan and lagging further behind the United States.

Federal Germany, which has enhanced its economic might and competitive capability in the past decades, has become the world's largest exporter and ranked the world's fourth place in terms of its GNP, next to the Soviet Union.

Obviously, the development of science and technology has an increasingly important role to play in pushing forward national economy. At present, many countries have taken it as a basic state policy to speed up scientific and technological growth as a way to boost their overall national strength.

It is noticeable that the Western governments, which paid great heed to science and technology, have worked out strategies in research and set targets for high-tech programs such as U.S. "Star Wars" project, Western Europe's "Eureka," and Japan's policy of basing the country's advancement on technology. In addition, they have invested more in coordinating existing scientific and technological research.

The Soviet Union and other Comecon (Council for Mutual Economic Aid) countries mapped out a comprehensive blueprint as early as in 1965 on advancing science and technology for the year 2000 with a view to quickening high-tech development and narrowing the gap between themselves and Western countries.

In the 1990s competition of this kind will inevitably galvanize the development of high technology, bringing about breakthroughs in such areas as micro-chips, new materials and bio-technology. These innovations, coming about through wide-ranging commercialization, will have a resounding impact on the improvement of the economic and social life of all peoples in the world.

Figures indicate that more than 80 percent of the world's wealth and 95 percent of the world's scientists and engineers are concentrated in the developed countries which merely have 20 percent of the world's population.

The developing countries, although unable to stand on a par with the developed nations in the run for national strength economically and scientifically, still face the grim task of advancing science and technology and building up national strength to narrow the chasm between the south and the north.

The developing nations, in fear that major industrialized nations may squeeze them out of the competitive world

market, are raising their outcry even louder for a more favorable international economic environment under which their overall national strength could be promoted with less hindrance.

Their first and foremost call is to replace the irrational and unfair old international economic order by a new one that would protect the interests of the developing nations and facilitate sustained development of the world as a whole.

They also call on the creditor nations to increase investment in the developing countries while seeking a way out on the debt problem through negotiations.

In addition, they urged major industrialized countries to dismantle "regional barriers" so that more markets and funds may be accessible.

In short, the 1990s envisage challenges, opportunities and hopes. Any country that adopts a development strategy in the light of both its actual national conditions and the changing situation of the global trade and economy is bound to beef up its overall national strength and gain an edge in the fierce economic competition around the world.

Beijing Continues Preparations for Asian Games

OW2112062989 Beijing XINHUA in English
0245 GMT 21 Dec 89

["Sports Yearender (3)—China Gears Up for the 11th Beijing Asian Games (by Sportswriter Xue Jianying)"—XINHUA headline]

[Text] Beijing, December 21 (XINHUA)—In 1989, sports fans in China have a mixed feeling. They were excited about their gymnasts' sparkling performance at the world championships, but were sad over their soccer team's failure to show up in the World Cup final round.

The most mentioned sports event of the year is neither gymnastics nor soccer, but the approach of the 11th Asian Games to be held in Beijing next September.

In 1984, the Olympic Council of Asia (OCA) picked up Beijing as the venue for the 11th Asian Games. Since then, intensive preparations have been under way.

The year of 1989 marks a great harvest in the preparatory work. The work of building and renovating the sports facilities needed for the Asiad has been accelerated in the year. Up till now, 21 of 31 stadiums and gymnasiums have been completed, six more will be finished by the end of this year and the other four will be ready next may.

Zhang Baifa, vice mayor of Beijing and vice-chairman of the Games Organizing Committee who is in charge of the construction work, is satisfied with the progress.

He has all the reason to be proud. All the preparation work has been done on schedule and effectively.

In 1989, eleven Asian championships were held in China. Seven newly built gymnasiums passed the test of Asian championships of boxing, basketball, fencing, handball, judo, table tennis and tennis.

Beijing Drug Testing Center, which was built three years ago, is expected to become the third Asian drug testing center appointed by the International Olympic Committee (IOC) Medical Commission and the first to do all testing work of the Asian Games.

The center successfully found all forbidden substances in the urine samples given by the IOC Medical Commission and the approval is generally thought to be a matter of time.

An advanced electronics service network has been set up for the coming games, and on July 26 the network was put to test as scheduled.

The test, which will be completed by the end of this year, is conducted in three stages—connections within each gymnasium and stadium, among the gymnasiums and stadiums and throughout the whole network.

Technicians and experts involved in the network are confident of their work. "It will guarantee the smooth progress of the 1990 games," they said.

For quite a long time, the funds for hosting the Asian Games has been one of the greatest difficulties for the organizers. But with the enthusiastic support from the financial quarters, enterprises and the public at large both at home and abroad, the organizers have so far collected 420 million yuan of Chinese currency renminbi.

"We hope to collect another two hundred million yuan in the future," said Wu Shaozu, minister of the State Physical Culture and Sports Commission and executive chairman of the Organizing Committee. "As long as we work hard enough, I am sure the financial problem can be solved."

With less than 300 days to go, the Asian Games has become part of the life of the Beijing residents. The Organizing Committee and the Beijing municipal government have joined efforts in organizing a symbolic race for all residents of Beijing. Students and residents are involved in the race covering some 60,000 kilometers which aims at promoting mass sports activities to hail the 11th Asian Games.

20,000 students from primary and middle schools have been practising mass callisthenics for the opening ceremony. Hundreds of thousands of students, workers and residents have been at the construction sites to do voluntary work.

"Pan pan", meaning "longing for" in Chinese and the name of the Asian Games mascot, a lovely giant panda, best expresses the feelings of the Chinese people for the Beijing games.

Wang Xuzhen, a 92-year-old Beijing resident, donated 1,000 yuan to the Asian Games. "It's the first time for China to host such a big sport event and I have the obligation to do my own contribution," she said.

The Organizing Committee received a letter with a donation of 667.36 yuan from 670 pupils in Tibet. "The money is not much, but it is a token of our share of responsibility to the games," the letter said.

The 11th Asian Games is expected to be the biggest ever in its history. On September 21, the Organizing Committee issued invitations to all the 38 OCA members including Chinese Taipei. Up till now, Japan, Indonesia, Singapore, Malaysia, Thailand, Bangladesh and Mongolia have confirmed their participation in the games.

After his week-long inspection tour of China, Sheikh Fahad al-Ahmed al-Sabah, president of the OCA, was quite satisfied with the preparation work. "Everything I saw and heard here has made me happy and more confident," he said. "If both the government and the people have the desire to hold the Asian Games, the games will be successful." They do.

United States & Canada

Ambassador Notes Difficulties in Sino-U.S. Ties

OW2012222189 Beijing International Service
in Mandarin 0900 GMT 20 Dec 89

[Text] In a recent exclusive interview with this station, Chinese Ambassador to the United States Zhu Qizhen pointed out: Early normalization of Sino-U.S. relations conforms to the interests of the people of the two countries. He admitted that Sino-U.S. relations are experiencing the most difficult time since the establishment of diplomatic relations between the two countries.

He said: That such a situation has emerged is not a sight we like to face. Nor was it caused by China.

Ambassador Zhu stressed, however, that China and the United States have major common interests in a wide range of areas. Both sides recognize that to protect and develop Sino-U.S. relations is not only in line with the interests of the people of the two countries, but also of great significance for safeguarding peace and stability in the world and the Asian-Pacific region.

Ambassador Zhu pointed out: In order to restore and develop Sino-U.S. relations, it is necessary to bring an end to the past and face the future. To be specific, it is necessary to end the abnormal situation and concentrate efforts on expanding the common ground.

He emphasized that so long as the two sides strictly abide by the Five Principles of Peaceful Coexistence and the principles guiding the three joint communiques between China and the United States—especially the principles on mutual respect of sovereignty and territorial integrity and on noninterference in each other's internal affairs—

and so long as they make joint efforts and do concrete things to improve relations between the two countries, it is entirely possible for China and the United States to keep their respective stands while safeguarding the common interests of the two sides and overcoming the present difficulties, thereby normalizing and continuing to develop Sino-U.S. relations.

Further on Chennault Delegation Visit

Guangdong Reception

HK2012045289 Guangzhou Guangdong Provincial
Service in Mandarin 0400 GMT 19 Dec 89

[Text] According to a report from NANFANG RIBAO, last night [18 December], the provincial Association for Friendship with Foreign Countries President (Yang Li) held a reception at the White Swan Hotel in Guangzhou to welcome a delegation from the U.S. International Cooperation Committee, led by Mrs Anna Chennault, which had come to tour our province.

Lin Ruo, honorary president of Guangdong provincial Association for Friendship with Foreign Countries, and Zhang Wenjin, former PRC ambassador to the United States, and his wife, who were in Guangzhou, attended the reception. The hosts and guests talked with each other cordially and in a friendly manner at the reception.

Mrs Anna Chennault and her party arrived in Guangzhou from Fuzhou by plane on the afternoon of 16 December. During their stay in Guangzhou, Guangdong Province Vice Governor Kuang Ji and Guangzhou City Mayor Yang Ziyuan met with Mrs Anna Chennault and her party in the reception hall of the provincial government and Dongfang Hotel respectively.

Mrs Anna Chennault and her party have concluded their tour in our province and will leave Guangzhou and Shenzhen for home today.

Delegation Departs

OW2012223489 Beijing XINHUA in English
1037 GMT 19 Dec 89

[Text] Guangzhou, December 19 (XINHUA)—A delegation from the Council for International Cooperation of the United States led by Mrs. Anna Chennault left here today at the end of a friendly tour of Beijing, Shanghai, Xiamen, Fuzhou and Guangzhou.

Yesterday evening, Yang Li, president of the Guangdong Provincial Association for Friendship With Foreign Countries, held a reception in honor of the delegation.

Attending the reception were Lin Ruo, honorary president of the association, and Zhang Wenjin, former Chinese Ambassador to the United States, and his wife.

Soviet Union

Heilongjiang Opens Seven Trade Ports

*HK2012135389 Beijing CEI Database in English
20 Dec 89*

[Text] Beijing (CEI)—Northeast China's Heilongjiang Province has recently opened seven more trade ports toward the Soviet Union after approval from the State Council.

The seven ports are Jiamusi City, Raohe County, Mingshan Town of Luobei County, Hutou Town of Hulin County, Dangbi Town of Mishan City, Mohe County and Jiayin County.

So far, the province has five trade ports toward the Soviet Union along its northern border, namely, Mohe, Weihe, Jiayin, Luobei and Tongjiang, and another five along the eastern border, namely Raohe, Hutou, Dangbi, Suifenhe and Dongning. In the inland part of the province, four ports, namely Harbin, Jiamusi, Fujin and Tongjiang, are served for trade with the Soviet Union.

Russian Federation To Expand Cooperation

*OW1412182289 Beijing XINHUA in English
1655 GMT 14 Dec 89*

[Text] Moscow, December 14 (XINHUA)—The Soviet Russian Federation intends to expand its co-operation with China in trade and joint ventures, it was learned at a two-day meeting on co-operation between the two countries which ended here yesterday.

Speaking at the meeting sponsored by the Russian Federation Foreign Ministry and the Far East Institute of the Soviet Academy of Sciences, Russian Federation Foreign Minister Vladimir Vinogradov said the economic and geological circumstances have made China a natural trading partner.

Contacts between the Russian Federation and China have become more and more frequent in recent years, Vinogradov said, adding that he hoped the bilateral ties, especially in the economic field, will be further promoted in the future.

The meeting strongly called for more scientific co-operation between the three scientific research centers in the Soviet Ural, West Siberia and Far East and their Chinese colleagues.

The meeting also suggested a Sino-Soviet ecological investigation of the Heilongjiang river (the Amur river) to prevent further ecological deterioration.

Fishery Cooperation Agreement Reached

*HK2012131289 Beijing CEI Database in English
20 Dec 89*

[Text] Tianjin (CEI)—An agreement has been reached between China and the Soviet Union on fish breeding and processing.

Under the agreement, China will help the Soviet Union develop fresh water fish-farming and kelp cultivating, provide technologies of aquatic product processing, and build and maintain fishing boats for the Soviet Union.

It is also learnt that a contract for processing 1 million tons of cod slices and 1.5 million tons of fish oil for the Soviet Union will be signed soon.

Exchanges of students will be carried out between the two sides for further cooperation in aquatic product research, fishery development and breeding technologies. Joint ventures will also be set up by the two sides.

Northeast Asia

Chinese Airlines Hijacker Profiled

*OW1912125889 Beijing Domestic Service in Mandarin
1030 GMT 19 Dec 89*

[From the "National Hookup" program]

[Text] On 16 December 1989, the Chinese International Aviation Corporation's flight No CA-981 was to go on its Beijing-Shanghai-San Francisco-New York route. At 1051 Beijing time, the plane took off from Beijing's Capital Airport, carrying 200 passengers.

At 1112, a ruffian hijacked the plane. After making all efforts, the pilot safely landed the plane at Japan's Fukuoka Airport at 1325. After the plane landed, the crew members, in close coordination with the travelers, immediately overpowered the hijacker and guaranteed safety of passengers and the plane.

The Public Security departments have confirmed that hijacker Zhang Zhenhai, male, was born in Handan City, Hebei, on 16 January 1954. When he signed a contract to run a cotton machine fittings plant for Sijiqing Brigade in Chongtai District in Handan City, he embezzled over 4,000 yuan and was arrested according to law last October. Later, he was out on bail and waited for trial.

At the beginning of December, Zhang Zhenhai left home to flee to other places. He is a typical grafter and criminal who absconded to avoid punishment.

State Councillor Zou Jiahua Meets Japanese Guests

*OW1512110989 Beijing XINHUA in English
1051 GMT 15 Dec 89*

[Text] Beijing, December 15 (XINHUA)—Zou Jiahua, state councillor and minister of machine-building and electronics industry, met Oka Makoto, senior executive

and vice president of Kenwood Corporation, Japan, in Diaoyutai state guesthouse today.

During the meeting, Zou expressed welcome and congratulations to Oka Makoto and his party who came to Beijing for the opening ceremony of Beijing office of Kenwood Corporation.

Zou said that it is very possible for China and various Japanese corporations to cooperate well on the basis of equality and mutual benefit.

Oka Makoto said, "China is a very big market and we are very happy for our contributions to China's economic development."

Zou and Oka Makoto also exchanged views on China's production and technological cooperation with Kenwood Corporation in developing communications and acoustic equipment and testing instrument...

Hebei Governor Meets With Japanese Delegation

*SK1512022589 Shijiazhuang HEBEI RIBAO
in Chinese 27 Nov 89 p 1*

[Text] At the provincial Foreign Affairs Office this evening, Governor Yue Qifeng met with a five-member delegation from Tottori Prefecture of Japan led by (Baba Suko), deputy director of the Tottori Prefectural Planning Department, to discuss next year's plan on exchange programs.

Since the establishment of friendly ties between Hebei Province and Tottori Prefecture in 1986, both sides have unceasingly strengthened their exchange programs. The purpose of this delegation's visit was aimed at carrying out consultations on the exchange plans between Hebei Province and Tottori Prefecture in 1990, and discussing matters concerning the establishment of Hebei-Tottori friendly agricultural experimental farm on the occasion of the fifth anniversary of the establishment of friendly ties between Hebei Province and Tottori Prefecture.

Yue Qifeng introduced to the guests Hebei Province's situation in economic development and the current improvement and rectification situation. He said: After the quelling of our country's counterrevolutionary revolution in the capital of Beijing, the Western countries attempted to interfere in China's internal affairs. This has been proved to be absolutely unsuccessful. The Chinese people always have had a tradition of self-reliance and arduous struggle. China with a population of 1.1 billion has a market attractive to all countries. He told the Japanese friends that our country's reform and opening up policies would remain unchanged. He expressed hope that Tottori Prefecture would further expand various substantial exchanges with Hebei Province.

The Japanese guests were satisfied with the cooperation between Hebei Province and Tottori Prefecture and expressed their willingness to conduct exchange and cooperation with Hebei Province in a more extensive

sphere in order to promote further development in the friendly ties between the two.

Zhen Sanlu, director of the provincial Foreign Affairs Office; Wang Guanghui, vice president of the provincial Academy of Agricultural Sciences; and responsible persons of departments concerned, were also present at today's meeting.

Ceremony Held for Sino-Japanese Cement Venture

*OW1912133889 Beijing in Japanese to Japan
1430 GMT 17 Dec 89*

[Text] An impressive ground-breaking ceremony for the biggest Japanese joint venture with China, the Dalian Kano Onoda Cement Co, was held yesterday with cadres of Liaoning Province and Dalian City attending.

This giant project to be jointly built by four Chinese and Japanese companies involves a total investment of \$160 million and is expected to produce 1.37 million tons of cement a year, more than 70 percent of which will be exported.

During yesterday's ground-breaking ceremony, Dalian City Mayor Wei Fuhai and Onoda Cement Co Ltd's president, Kazusuke Imamura, delivered speeches in which they stated that the fact that it had taken only more than a year from the start of friendly negotiations to the ground-breaking of this giant joint venture project indicated both sides' sincerity and high efficiency. Both men commended efforts of the parties concerned on both sides.

Article Examines Border Trade With North Korea

*HK1812110089 Beijing RENMIN RIBAO in Chinese
6 Dec 89 p 7*

["Newsletter From Korea" by staff reporter Xu Baokang (1776 1405 1660): "Close Neighbors and Mutual Benefits—A Glance at the Sino-Korean Border Trade"]

[Text] With a border stretching for some 1,300 km, China and Korea are connected by mountains and rivers. Trade between the two countries can be traced to the ancient past, and in recent years, it has been developing more rapidly and briskly.

This reporter has recently paid visits to Hamgyong-Bukdo in Korea and Yanbian Prefecture bordering Korea. What he has seen and heard gives you an idea of the flourishing trade between the two countries.

Driving for some 70 km from Chongjin, Korea's port city, this reporter arrived at Sanhe Township, one of the ports in the Chinese soil where border trade between Korea and our country takes place. Here streets are crowded with people and cars. Everyone seems to be busy with something. Jiefang brand new-model trucks are heading to Korea loaded with a variety of commodities such as quilt covers, bed sheets, table lamps, paint...and refrigerators transported from Korea's Hoeryong

port are filled with (Mingtai) fish, sea crabs...best loved by their brothers on the other side of the border. After busying themselves with customs formalities, animal and plant quarantine inspection, officers of both sides smile and salute each other and let the people go. A Chinese customs officer said that it is always very busy here and it seems that everyone comes and goes to visit his relatives. With much excitement, Zhang Jinfeng, the Korean Hamgyong-Bukdo Administration and Economy Management Committee vice committee chief, told this reporter: Trade volume between Hamgyong-Bukdo and Yanbian Prefecture alone has increased 10 times within 6 years. Last year it amounted to 6 million Swiss francs. Commodity varieties have increased from a few dozen to 140 now.

As early as 1954, Korea's Hamgyong-Bukdo began border trade with our Yanbian Prefecture on a fair and mutual benefiting basis. The development of border trade between the two countries has not only strengthened our friendship but has also boosted our economic development and improved the living standards of the people on both sides.

The Korean nationality living in Yanbian Prefecture love to eat Mingtai fish but as they are in the inland they have difficulty finding them. While Korea's Hamgyong-Bukdo is situated along the coast and teems with Mingtai fish. After some negotiations between the two sides, Korea began to supply us with Mingtai fish and we began to supply Korea with daily necessities. This kind of exchange has been satisfying to both sides. Since [6855 4595] Iron and Steel United Enterprise is the largest factory in Hamgyong-Bukdo. It has always had trouble disposing of mountains of scum left over from steel-making. This sort of scum is exactly the additive used for the cement industry in Yanbian. Therefore, both sides have signed contracts on this scum with the result that the scum has become something useful. Korean comrades praise China for the excellent quality of their phthalic acid, dioctyl phthalate, and paints. The plastic products and furniture made of these chemical materials are deeply loved by Korean consumers.

In order to further develop border trade and ensure supplies of goods, Korea's Hamgyong-Bukdo has adopted a series of measures over the past few years. Taking into account the advantages of various counties, Hamgyong-Bukdo has constructed 14 export bases specializing in marble, mineral sands, silk, shallow-water breeding, and other products and plans to extend the highway connecting Chongjin with Hoeryong port so as to accommodate transportation as trade develops. When giving a brief introduction, the Yanbian Foreign Trade and Economy Committee director Chen Hengsan said: Border trade between the two sides has been satisfactory in recent years. Trade volume in 1982 was only 1.03 million Swiss francs. It exceeded 100 Swiss francs last year and this figure was reached in the first 9 months of this year. With the rapid development of border trade as a backdrop, the two countries began to initiate cooperation projects and joint-ventures.

Now, both sides have begun cooperation projects in four areas, namely, woven products, cosmetics, vises processing, and marine products processing. Processing of vises and marine products has shown good results. The prospective for further development is believed to be much brighter in the future.

Southeast Asia & Pacific

Security Minister Wang Meets Chunhawan

OW1812182089 Beijing XINHUA in English
1509 GMT 18 Dec 89

[Text] Bangkok, December 18 (XINHUA)—Thai Prime Minister Chatchai Chunhawan received China's Public Security Minister Wang Fang here today.

During the meeting, both sides expressed the hope that Thailand and China will strengthen cooperation in the field of public security and exchange information in their coordinated investigation of criminal cases such as cracking down drug traffickers, a Chinese Public Security Ministry official disclosed after the meeting.

Wang Fang is leading a Chinese delegation on a seven-day visit to Thailand. They arrived here on December 13.

During his stay here, Wang Fang has also met with Thai Minister of the Interior Praman Adireksan and senior police officers of Thailand.

The Chinese delegation will leave here for Pakistan tomorrow.

Jiangxi Governor Meets Thai Delegation 28 Nov

OW1712093989 Nanchang JIANGXI RIBAO
in Chinese 29 Nov 89 p 1

[Text] Governor Wu Guanzheng met and had a cordial and friendly conversation at the Jiangxi Guesthouse with an industrial delegation of the Chinese Chamber of Commerce of Thailand on the evening of 28 November. Governor Wu gave a banquet in honor of the guests after the meeting.

The 19-member delegation, with Mr Zheng Mingru as its head, and Mr Ding Jiajun and Mr Li Jiannan as deputy heads, arrived in Nanchang on 26 November at the invitation of the Jiangxi provincial Federation of Industry and Commerce. The delegation was greeted at the airport by responsible persons of the United Front Work Department of the Jiangxi Provincial CPC Committee, the Jiangxi Provincial Federation of Industry and Commerce, and the provincial Office for Overseas Chinese Affairs. Vice Governor Sun Xiyue met with all members of the delegation on the evening of 26 November. The delegation made a fact-finding tour of Lushan on 27 and 28 November. The delegation held business talks with the provincial Federation of Industry and Commerce and the provincial Coal Industrial Department during its stay in Nanchang. At the banquet, Governor Wu Guanzheng expressed warm welcome to

the delegation's visit and Mr Zheng Mingru also delivered an ebullient speech. The guests and host wished Sino-Thai friendship would last forever. The delegation will leave Nanchang on 29 November.

Australian Communist Party Members Visit Jilin

SK1712081089 Changchun Jilin Provincial Service
in Mandarin 2200 GMT 15 Dec 89

[Text] At the invitation of the International Liaison Department under the CPC Central Committee, the delegation of the Communist Party of Australia-Marxist-Leninist, headed by Chairman (Flus Kangwer), arrived in Changchun on 15 December for a friendly visit. That evening, Wang Zhongyu, deputy secretary of the provincial party committee and provincial governor, met with (Kangwer) and his entourage at Nanhu Guesthouse. The host and the guests talked with one another amid a warm and friendly atmosphere. On behalf of the Jilin provincial CPC Committee and all party members and people in the province, Comrade Wang Zhongyu extended a warm welcome to Chairman (Kangwer) and wished him a successful visit. Comrade Wang Zhongyu also briefed the guests on Jilin's situation since the quelling of the Beijing rebellion.

After the reception, Comrade Wang Zhongyu hosted a banquet in honor of all members of the delegation. Also participating in the reception and banquet were Ma Wenpu, deputy director of the bureau under the International Liaison Department of the CPC Central Committee, who came to the province in the company of the guests, and Yang Xuezhong, deputy director of the provincial Foreign Affairs Office.

Near East & South Asia

President Yang Shangkun Continues Egypt Visit

Further on Yang News Conference

OW2012150789 Beijing XINHUA in English
1329 GMT 20 Dec 89

[Text] Cairo, December 19 (XINHUA)—Visiting Chinese President Yang Shangkun today called to the attention that some people in Taiwan want independence for the island, saying the Chinese Government will never allow Taiwan to be independent.

Yang made the remarks in an interview with a group of Egyptian reporters here this afternoon.

Taiwan is an inalienable part of China's territory, Yang noted, adding that contacts between Taiwan and the mainland have been increasing in recent years due to the policies formulated by the Chinese Government and the efforts made by the people across the Taiwan Straits.

Yang said a large number of Taiwanese have visited their family members or come for sightseeing in the mainland

while those in the mainland are still strictly barred by the Taiwan authorities from going there.

There exist trade exchanges between the two sides, but on an unequal footing, because so far the mainland goods are not permitted to go straight to the island, Yang said.

This artificial obstacle erected by the Taiwan authorities should be removed, the president stressed.

Yang said noteworthy is the phenomenon that with foreign backgrounds, a handful of people in the island clamored for Taiwan's independence in the recent elections held there, adding that it is quite wrong for the Taiwan authorities to tacitly approve the spreading of such clamors.

"It is very dangerous for Taiwan to be independent from the mainland," the president said.

He said Taiwan and the mainland must be reunified, adding "the Chinese Government would not sit by idly if Taiwan's independence were materialized."

Meets With Egyptian Leaders

OW2012162489 Beijing XINHUA in English
1536 GMT 20 Dec 89

[By Li Sizhi]

[Text] Cairo, December 20 (XINHUA)—Visiting Chinese President Yang Shangkun today had separate talks with Egyptian Prime Minister 'Atif Sidqi, speaker of the People's Assembly Rif'at al-Mahjub and chairman of the Shura Council Mustafa Kamal Helmi at the state guest house Al-Gubba Palace.

The talks focused on bilateral relations, a spokesman of the Chinese delegation said.

"The political system of a state should suit its own conditions since it is themselves who have to go along their own road," President Yang said to Sidqi.

While meeting with Speaker Mahjub, Yang said, "The people in every country should choose whatever road they wish to take themselves, and reject any order issued by foreigners."

The president also said both China and Egypt were economically backward due to imperialist oppression in the past. "Now we must catch up, and this needs internal and external conditions," he added, referring to a peaceful international environment and domestic stability.

Chairman Helmi briefed Yang on the Egyptian Shura Council and presented him with a badge of the council.

Present on the occasions were Chinese State Councillor and Minister of Finance Wang Bingqian and Vice-Minister of Foreign Affairs Qi Huaiyuan, who are accompanying the president on his current Middle East tour.

Visits Pyramids

*OW2012195189 Beijing XINHUA in English
1934 GMT 20 Dec 89*

[By Yu Dabo]

[Text] Cairo, December 20 (XINHUA)—Visiting Chinese President Yang Shangkun today eulogized the wisdom and rich historical history of the Egyptian people during a visit to the Giza pyramids in south Cairo.

Standing before the pyramid of Cheops (or Khufu) built about 2,690 B.C., Yang said that the great pyramid showed the wisdom of the Egyptian people and that he felt delighted to visit the world-famous historical site.

Accompanied by Egyptian Minister of Industry Muhammad 'Abd al-Wahhab, Yang toured the pyramid base at Giza, where the three pyramids burying the three pharaohs of Cheops, Chephren (or Khafre) and Mycerinus (or Menkaure) are located. The three pharaohs were father, son and grandson who reigned over Egypt during the 26th century B.C.

The Chinese president also paid a visit to the solar boat and sphinx at the pyramid base.

The solar boat is believed to be one of the oldest boats in existence, unearthed near the pyramid base in 1954. The vessel was buried near the pyramid of Cheops.

The sphinx, more than 20 meters high and 55 meters long, was hewn almost entirely from a solid piece of rock. It was said to be built by the pharaoh of Chephren.

Yang arrived here Monday for an official goodwill visit to Egypt, the first leg of his four-nation Middle East tour which will also take him to the United Arab Emirates, Kuwait and Oman.

Pakistani Prime Minister Calls Ties 'Exemplary'

*OW2112093789 Beijing XINHUA in English
0844 GMT 21 Dec 89*

[Text] Islamabad, December 21 (XINHUA)—Pakistan Prime Minister Benazir Bhutto has said that Pakistan and China have exemplary friendly relations which are growing with the passage of time.

She made these remarks at a dinner hosted in her honor by Chinese Ambassador to Pakistan Tian Ding at the Chinese Embassy Wednesday evening.

The prime minister exchanged views with the Chinese ambassador on various issues of mutual interest.

The Chinese ambassador expressed his gratitude to the prime minister and the Pakistan Government for their hospitality and for the success of Chinese Premier Li Peng's visit here from November 14 to 17. Benazir asked the ambassador to convey her greetings and good wishes to the Chinese premier.

Foreign Minister Sahabzada Yaqub Khan and adviser to the prime minister for national security and foreign affairs Iqbal Akhund were also present on the occasion.

Minister Henggao Leads Delegation to Pakistan**Pakistan President Receives Delegation**

*OW2112095989 Beijing XINHUA in English
0914 GMT 21 Dec 89*

[Text] Islamabad, December 21 (XINHUA)—Pakistan President Ghulam Ishaq Khan has expressed his hope that Pakistan and China would find new ways in which they could share technology and promote joint ventures to reduce the cost of industrial production.

He made these remarks during a meeting with visiting Chinese delegation led by Lt. Gen. Ding Henggao, minister of the Commission of Science, Technology and Industry for National Defense Wednesday evening.

The president said that in addition to helping Pakistan in its industrialization and cooperation in the fields of defense, China has also been generous in the transfer of technology.

The Chinese minister assured the president that China would continue to help Pakistan in its progress and development.

Science, Technology Pact Signed

*OW2012194089 Beijing XINHUA in English
0720 GMT 20 Dec 89*

[Text] Islamabad, December 20 (XINHUA)—Pakistan and China have agreed to expand and enhance cooperation in defense science, technology and industry between the two countries in the spirit of mutual benefit and understanding.

A memorandum of understandings (MOU) to this effect was signed here Tuesday evening between the governments of Pakistan and China.

Minister of State for Defence Col (retd) Ghulam Sarwar Cheema and visiting Chinese Minister for the Commission of Science, Technology and Industry for National Defence Lt. Gen. Ding Henggao signed the MOU on behalf of their respective governments.

The MOU will remain in force for ten years in the field of procurement, joint research and development, co-production and technology transfer as well as the export to a third country acceptable to "parties" within the framework of defense science, technology and industry.

During a meeting with visiting Chinese Vice-Minister of Machinery and Electronics Zeng Peiyan on the same evening, Prime Minister Benazir Bhutto said that she was glad that Pakistan and China have signed a MOU for cooperation in the fields of defense science, technology and industry.

She thanked China for helping Pakistan in its economic development program and emphasized the need for expanding collaboration between the two countries in various fields.

Benazir recalled the agreement in principle reached with Chinese Premier Li Peng for the supply of 300 mw nuclear power plant to Pakistan and said that it was important for the two countries to work together in the fields of science and technology to speed up their economic development.

The Chinese vice-minister said that the Chinese Government is willing to expand scientific and technological cooperation between the two countries in hi-tech fields such as computers.

Chen Xitong Meets With Syrian Delegation

SK1912125589 Beijing BEIJING RIBAO in Chinese
7 Dec 89 p 4

[Text] On the morning of 6 December at the municipal government building, Chen Xitong, state councillor and mayor of Beijing Municipality, met with a delegation from Damascus, Syria, headed by (Haixiamu Xiamate), member of the city executive bureau. Chen Xitong said: Beijing is a developing city. The capitals of the two countries can learn from each other and mutually use other's experience for reference. (Haixiamu Xiamate) expressed that their aim to visit Beijing was to enhance their understanding about Beijing. He hoped that the both sides would conduct cooperation in the near future.

West Europe

Qiao Shi Urges Improved Sino-French Relations

OW2012154789 Beijing XINHUA in English
1436 GMT 20 Dec 89

[Text] Beijing, December 20 (XINHUA)—A senior leader of the Chinese Communist Party (CPC) today called for efforts by both China and France to improve relations.

During a meeting here today with Gerard Le Gall, deputy national secretary of the French Socialist Party (PS), Qiao Shi, a member of the Standing Committee of the Political Bureau of the CPC Central Committee, exchanged views on Sino-French and CPC-PS relations in a friendly and candid atmosphere.

Sino-French relations, which were established by late Chairman Mao Zedong, Premier Zhou Enlai and General Charles de Gaulle and which have been based on the Five Principles of Peaceful Coexistence, were fine until May or June this year, Qiao said. China has always valued its friendly relations with France, he said.

Over the years, he added, the relations between the CPC and the PS have also been good. Both parties follow the

principles of independence, complete equality, mutual respect and mutual non-interference in each other's internal affairs, he said.

Qiao said he hopes that both sides make joint efforts and take measures to improve relations between the two parties and the two countries.

Le Gall, also an alternate member of the PS Executive Bureau, conveyed regards from Pierre Mauroy, first secretary of the PS, to Chinese leaders and explained his party's views on the ties between the two countries and the two parties.

Both agreed that the frank exchange of views is conducive to increasing mutual understanding.

After arriving here on December 18, Le Gall met with Zhu Liang, head of the International Liaison Department of the CPC Central Committee, who was present at today's meeting.

Le Gall is scheduled to leave for a tour of Shanghai, Guangzhou and Zhuhai tomorrow.

France Offers To Finance Joint Venture

HK2112042089 Hong Kong AFP in English
0357 GMT 21 Dec 89

[By Patrick Lescot]

[Text] Beijing, Dec 21 (AFP)—France, the sternest Western critic of Beijing's crackdown on the student-led democracy movement, has made an about-face by offering to finance a joint-venture deal in China, diplomats and analysts say.

In saying it will provide public funds for a major new Citroen plant in China, Paris has given Beijing every reason to believe that its intransigence toward the West is paying off, analysts said.

French Ambassador to Beijing Charles Malo told Chinese authorities earlier this month that the French Government was prepared to finance the joint venture to produce Citroen cars under license in Wuhan, in the central province of Hubei, a French diplomat said.

The decision was taken "at a very high level" in Paris, he added.

The offer represents a breach in economic sanctions decided at a late-June European Economic Community (EEC) summit in Madrid in response to the Chinese crackdown.

"France, after the United States, decided to do China an unexpected favor. But Paris is not Washington, and the game is riskier," a European diplomat said.

On December 9, U.S. national security adviser Brent Scowcroft made a surprise visit to Beijing despite a freeze in high-level relations between the two countries, provoking sharp criticism in the U.S. Congress.

All aid to China was suspended at the EEC summit.

Although no date has been announced for a resumption of talks on aid to China, the political message of the joint-venture financing offer is clear: Paris, like Washington, has taken the "first step" demanded by Beijing.

Since the crackdown and amid continuing repression, Beijing has steadfastly refused to make any conciliatory moves to appease the West, insisting that Western countries initiate rapprochement.

Six months after the June massacre, the Chinese leadership can congratulate itself for its intransigent human rights policy and presume that it will always get "special treatment" in this regard, analysts noted.

Unconfirmed rumors had it that Beijing may reward Washington with a return gesture such as allowing dissident leader Fang Lizhi, holed up in the U.S. Embassy here since the June massacre, to leave China.

But France has asked for no such quid pro quo.

"Paris has given the signal that everything is helter-skelter [as received]," one European diplomat said, noting that the Chinese authorities, delighted by the news of the joint-venture financing, were quick to discreetly spread the news throughout the capital.

Ironically, the project is unlikely to materialize at a time when private cars are seen as a luxury item and owning one is viewed with great suspicion.

Without bending in the slightest to international pressures, China has been acting as if under a state of siege, virulently accusing Western countries of interference, reviving strict Marxist-Leninist orthodoxy in all areas and imposing Draconian austerity on the Chinese, observers said.

But France's goodwill gesture, coinciding with Washington's, will be confusing for China at a time when the opening to the West and reforms brought in by senior leader Deng Xiaoping are taking a back seat to the reimposition of strict ideology by the new hardline leadership.

Many Chinese have privately hailed France's support of the democracy movement since June, harboring political refugees and allowing the formation in Paris of the dissident Federation for Democracy in China.

But by committing itself to a long-term project, despite its risks, Paris "has let the present leadership know that France expects it to be there in the future," said a European diplomat.

He, like most of his colleagues, said he was convinced that the current leaders were essentially temporary.

"After such a gesture, no one—and not only in business circles—has any reason to bother anymore," he said. "Chinese cynicism about capitalism is sure to prevail."

Political & Social

Further on 20 Dec NPC Session

Agenda Outlined

OW2012170489 Beijing XINHUA Domestic Service
in Chinese 0851 GMT 20 Dec 89

[Text] Beijing, 20 Dec (XINHUA)—The 11th Session of the Standing Committee of the 7th National People's Congress opened this morning at the Great Hall of the People.

Chairman Wan Li presided over the session.

Vice Chairman Peng Chong explained the draft agenda of this session at the beginning of the meeting. The members passed the agenda.

Based on the suggestions made at the last session of the Standing Committee after the examination and discussion of the "Organic Law on Urban Resident Committees (draft)," Lin Jianqing, vice chairman of the Law Committee, made a report today on the question of whether this draft law should state that residents' committees can undertake to provide "production" service.

The preceding Standing Committee session examined and discussed "The Environmental Protection Law (draft revision)" and "The Urban Planning Law (draft)." At today's meeting, Gu Ming and Song Rufeng, vice chairmen of the Law Committee, delivered their respective reports on the examination and discussion of the two laws.

To protect the security of military installations and guarantee the effective use of these installations and normal military activities, the State Council and the Central Military Commission submitted a proposal for examination and discussion of "The Military Installation Protection Law (draft)" to the current Standing Committee session. Chi Haotian, member of the Central Military Commission and chief of general staff of the People's Liberation Army, was delegated by State Council and the Central Military Commission to give an explanation of the draft law at the session.

Li Peng, premier of the State Council, submitted proposals for examination and discussion of "The Copyright Law (draft)" and "The Revision of the Law on Chinese-Foreign Joint Ventures (draft)" to the current Standing Committee session. Song Muwen, director of the State Copyright Bureau, and Zheng Tuobin, minister of foreign economic relations and trade, were delegated by the State Council to explain the two drafts respectively at the session.

Premier Li Peng also submitted to the current Standing Committee session a proposal for examination and discussion of "the Consular Treaty Between the People's Republic of China and the Republic of Turkey. Vice Foreign Minister Tian Zengpei, delegated by the State Council, explained the treaty at the session.

Among those attending the session were Vice Chairmen Ngapoi Ngawang Jigme, Seypidin Aizezi, Yan Jici, Rong Yiren, Ye Fei, Liao Hansheng, Chen Muhua, Fei Xiaotong, Sun Qimeng, Lei Jieqiong, and Wang Hanbin.

Ren Jianxin, president of the Supreme People's Court, attended the session as an observer.

More on Joint Venture Law

OW2012164589 Beijing XINHUA in English
1302 GMT 20 Dec 89

[Text] Beijing, December 20 (XINHUA)—A draft amendment to China's Sino-foreign joint venture law was submitted today by the State Council to the Standing Committee of the National People's Congress (NPC) for deliberation.

In his proposal, Premier Li Peng said that the amendment aims at further carrying out the policy of opening to the outside world, improving the investment environment and attracting foreign investment.

The major changes outlined in the amendment include:—adding an item to the original Article 2: "Sino-foreign joint ventures shall not be nationalized or purchased by the state. Under special circumstances and based on public interests, the joint ventures can be purchased through legal procedures, with due compensation."

—the item in Article 6—"the board of directors shall have a chairman, whose office shall be assumed by the Chinese representative of the joint venture,"—is revised to read "the chairman and vice-chairmen of the board of directors shall be decided through consultations between the Chinese and foreign partners or elected by the board of directors, and the office of vice-chairman shall not be assumed by the party who has also assumed the office of chairman."

—the item in Article 12—"the contract period of a joint venture may be decided through consultation by the parties to the venture according to its particular line of business and circumstances"—is revised to read "the contract period of a joint venture may be decided through consultation by the parties to the venture according to its particular line of business and circumstances, and parties to the venture may or may not fix the contract period in their contract."

Minister of Foreign Economic Relations and Trade Zheng Tuobin gave an explanation on the draft amendment.

Neighborhoods Law Discussed

HK2112094989 Beijing XINHUA Domestic Service
in Chinese 1442 GMT 20 Dec 89

[Text] Beijing, 20 Dec (XINHUA)—The 11th meeting of the 7th NPC Standing Committee started in the Great Hall of the People this morning.

Presided over by NPC Chairman Wan Li, the meeting listened to a report by Lin Jianqing, vice chairman of the Law Committee, on whether the "(draft) organizational law of urban neighborhood committees" should stipulate that urban neighborhood committees can run "productive service undertakings."

At the meeting, Gu Ming and Song Rufen, vice chairmen of the Law Committee, made reports respectively on the results of the examination of the "(draft) law on environmental protection" and the "(draft) law on urban planning."

The meeting also listened to explanations by Chi Haotian, chief of staff of the People's Liberation Army, concerning the draft law on the protection of military installations; explanations by Song Muwen, chief of the State Copyright Bureau, concerning the draft law on copyright; and explanations by Zheng Tuobin, minister of the Ministry of Foreign Economic Relations and Trade, concerning the draft revision of the law on Sino-foreign joint ventures.

Installations Law Considered

OW2112002189 Beijing XINHUA Domestic Service
in Chinese 1041 GMT 20 Dec 89

[Text] Beijing, 20 Dec (XINHUA)—The State Council and the Central Military Commission submitted a motion on the draft law on protection of military installations in the PRC for deliberation by the 11th meeting of the 7th National People's Congress [NPC] Standing Committee, which opened today.

The motion says: In order to protect the security of military installations and ensure their efficient use and normal operation in military activities, the General Staff Department has drafted a law for protecting military installations. The draft has been discussed and approved by the executive meetings of the State Council and the Central Military Commission.

At the NPC Standing Committee meeting today, Chi Haotian, member of the Central Military Commission and chief of the General Staff of the People's Liberation Army [PLA], explained the draft law. He said: After the founding of the country, China carried out socialist construction under the threat of foreign hostile forces, and hence, it has been a country with active defense installations. In order to safeguard national security and interests and resist foreign aggression, the state built military installations in the coastal and border defense front areas as well as in the deep areas [zong shen di qu 4912 3234 0966 0575]. Through development over the past few decades, these military installations have formed a comprehensive defense system laying the material foundation for safeguarding national security and interests and defending national sovereignty and territorial integrity, as well as providing the necessary conditions for troops to perform tasks in combat, war preparedness, training, patrolling, and scientific research.

However, because of various reasons, military installations have been artificially damaged and occupied in recent years. Their efficient use has been obstructed, and their security increasingly endangered, and their capability to defend the country has been seriously undermined and the completion of war preparedness and other normal military activities of the troops has been impeded. Adopting effective measures to check such acts and improving the protection of military installations as soon as possible is essential to enhancing the defense capability of the socialist state and strengthening the unity between the Army and the government and between militarymen and civilians.

He said: Due to the large number of military installations and their broad distribution in the country, and because of security requirements, contradictions arise in some localities between protecting military installations on one hand and economic construction and tourism on the other. On the one hand, some cadres and people, who have a weak sense of national defense, emphasize production and everyday life while neglecting to adequately protect the security of military installations. As a result, the occupation of military installations has been reported from time to time, and such incidents cannot be checked by using administrative or economic means or through education. On the other hand, the continuous progress in reform and opening to the outside world and economic construction has made it necessary to give prominence to and improve continuously the work of protecting military installations. These contradictions must be adjusted and solved through legislation.

On the guiding principles for protecting military installations, Chi Haotian said: The core of the draft law is its stipulations that "people's governments and military organizations at different levels should proceed from the country's long-term security interests in jointly protecting military installations and safeguarding national defense interests. No organization or individual should be allowed to damage or occupy military installations, endanger their security, and obstruct their efficient use." These stipulations are based on the following points: First, it is necessary to proceed from the basic understanding that the protection of military installations concerns the long-term interests of national security, in order to thoroughly understand the importance of protecting military installations and to properly define the relations between the protection of military installations and the work in other areas, thereby helping to overcome the previous negligence in protecting military installations. Second, it is necessary to clarify the guiding principle that the protection of military installations involves work in a wide range of areas and requires the joint efforts of people's governments and military organizations at various levels to ensure its success, in order to avoid wrangling and shifting of responsibilities, which may arise as a result of the lack of clarity in defining duties in the course of implementing this law. Third, in view of the current widespread practices, by both individuals and groups, of damaging and occupying military

installations, endangering their security, and obstructing their efficient use, it is necessary to clearly stipulate, as the general guiding principle of this law, that to ban such practices is an important aspect of protecting military installations.

With regard to the demarcation of military installations and the categorization of installations that are to be protected, Chi Haotian said: To control the sizes of military installations so that they will not become too large, and to make sure that military installations are effectively protected and do not interfere with economic construction projects and people's production and living needs, we follow the principle of categorizing all military installations, making sure that the major military installations are protected. We have divided the military installations into three types according to their nature, functions, security, and secrecy, as well as their operational efficiency, and take different protective measures on that basis.

Chi Haotian said: The draft also sets forth principles for the handling of problems that might arise from protecting the existing military installations and executing the state's economic construction and social development projects.

Yang Shangkun Stresses Lei Feng Spirit

[By reporter Yan Weimin (0917 5898 3046)]

[Text] Beijing, 15 Dec (XINHUA)—Yang Shangkun, president of the People's Republic of China, has written the preface to a book entitled "New Edition of Lei Feng Stories" which was published today. In the preface, he "hopes that the great masses of young people will create a strong atmosphere in which everyone pays attention to socialist cultural and ideological progress and vies with each other in becoming a revolutionary successor of the Lei Feng style by launching a profound and persistent campaign to learn from Comrade Lei Feng."

President Yang Shangkun writes: "It takes new approaches to learn from Lei Feng in the new period." First, it is necessary to guide the great masses of young people to have, like Lei Feng, a great communist ideal and a high degree of self-sacrificing spirit to struggle for this ideal. Second, we must help the great masses of young people to have, like Lei Feng, a persistent spirit of diligently studying science, culture, and knowledge. Third, we must guide the great masses of young people to have, like Lei Feng, a concept of viewing the situation as a whole and a sense of organization and discipline.

The "New Edition of Lei Feng Stories" was compiled by the Shanghai Committee of the Communist Youth League [CYL] and published by the Shanghai Jiaotong University Publishing House. At a ceremony to mark its first publication today, the Shanghai CYL Committee and the Shanghai Municipal Government Education Bureau issued a joint circular appealing to all students of

primary and middle schools in the city to launch a drive to learn from Lei Feng in 1990.

Vice Minister Addresses Traffic Control Forum

Arms Available 'As Needed'

OW1412144889 Beijing XINHUA in English
0849 GMT 14 Dec 89

[Text] Beijing, December 14 (XINHUA)—China will arm its 130,000 traffic policemen with pistols and handcuffs whenever the need arises, Vice-Minister of Public Security Yu Lei announced here today.

Speaking at the opening of a national conference on traffic control, he said they will also be issued with other necessary equipment, including sirens and batons. Some non-lethal arms will be offered to traffic patrols and check-up stations.

Yu said the move is aimed at promoting efficiency, mobility and the ability to respond promptly.

At present, he said, priority should be given to improving the communications and reconnaissance equipment for traffic police.

The vice-minister praised the contribution of traffic police to safeguarding both traffic and social order and said they have done much in helping public security departments to investigate, pursue and capture fleeing criminals.

Stresses Police Image

OW1412145189 Beijing XINHUA in English
0856 GMT 14 Dec 89

[Text] Beijing, December 14 (XINHUA)—Chinese traffic police should try to create a good image in order to earn the respect of the public, Vice-Minister of Public Security Yu Lei said here today.

Addressing the opening session of a national conference on traffic control, he said: "The behavior of China's 130,000 traffic policemen is basically good. Yet some corrupt practices have spoiled the image of public security departments and should be dealt with severely."

Some traffic policemen abuse their powers for personal profit by taking advantage of their authority to examine drivers and check their cars.

"From now on," the vice-minister said, "Leaders of traffic control departments should listen to relevant departments and the public for suggestions and criticism in order to improve the police work style."

Traffic administration departments should set up corruption report stations or telephones to hear the complaints. All traffic policemen should have three to five years' training.

The vice-minister said living conditions should be improved for traffic police, and they should also be guaranteed health examinations and convalescence as well as health subsidies.

Economist Luo Guoguang Defends Selected Reforms

HK2112030589 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1223 GMT 11 Dec 89

["Economist Liu Guoguang Says That Mistakes in the Course of Exploration Should Not Be Regarded as Liberalization"—ZHONGGUO TONGXUN SHE headline]

[Text] Beijing, 11 Dec (ZHONGGUO TONGXUN SHE)—Liu Guoguang, Chinese economist and vice present of the Chinese Academy of Social Sciences, said during an interview a few days ago that while carrying out reforms, mistakes in theories and practice made in the course of exploration and ordinary mistakes in policies, including the application of things being practiced in Western countries, should not be regarded as liberalization in an oversimplified manner.

He held that bold exploration should be encouraged on the premise of upholding the four cardinal principles and even then there are bound to be mistakes.

He said that China does not practice privatization and cannot take the capitalist road, but it does not exclude learning from advanced experiences of the West, because many of their practices are commonly used in socialized production and commodity economy; have crystalized the common wisdom of human beings; and they are not patents of capitalist countries.

He gave as examples the leasing system, the shareholding system, and some other advanced management and operation methods. He said that the implementation on a trial basis of these systems in the course of reform in China is a kind of exploration. Whether the exploration is successful has to be tested in practice. However, this kind of exploration should not be regarded as bourgeois liberalization in an oversimplified manner.

'Red And Expert' Cadres Slated for Leadership

HK2112022989 Hong Kong SOUTH CHINA MORNING POST in English 11 Dec 89 p 14

[By Willy Wo-lap Lam]

[Text] The conservative leadership in Beijing is working to ensure that loyalist cadres are appointed to top positions in the party committees of 12 provinces.

Next spring, Beijing is scheduled to reshuffle the leadership of party committees responsible for running 12 provinces and autonomous regions.

A top priority of the party Central Committee's Organisation Department is to ensure that both "red and expert" cadres are picked for leadership positions.

The harshness of the leadership's political demands was stressed by the party organisation chief, Mr Song Ping, when he met organisation department cadres from 18 provinces and major cities, in Beijing.

Promoted into the Politburo Standing Committee last June, Mr Song, a former state planner, is a protege of the hard-line patriarch, Mr Chen Yun. Mr Song is considered personally and philosophically close to the Premier, Mr Li Peng, and the Vice-Premier, Mr Yao Yilin.

"Marxism and socialism must be adhered and the party and leading groups at different levels must be developed well, so that the leadership will be in the hands of those faithful to Marxism," Mr Song said.

Mr Song also pointed out: "We must keep our minds clear under the current complicated national and international situation and strengthen our belief in historical materialism and believe that socialism will win the final victory."

In theory, party rank and file will cast ballots to fill positions on the party committees of 12 provinces and autonomous regions next year.

Following long-standing Chinese Communist Party practice, however, it is Mr Song Ping and his colleagues in the central Organisation Department who will in fact pick the new leaders.

Organisation Department experts will also select the heads of city and county level party committees.

Analysts say the newly assertive conservative leadership is anxious to further weed out die-hard supporters of the former party chief, Mr Zhao Ziyang, and the deceased former party chief, Mr Hu Yaobang.

The fact that the Organisation Department had to start "psychological preparation work" a few months in advance of the actual selection process, however, shows that Beijing expects to encounter opposition.

"In the days of Mao Zedong, the Chairman basically made up his mind about new provincial party bosses, and that's it," a veteran Western diplomat said.

"Even after the June 4 Tiananmen Square crackdown, however, regional leaders have been eager to preserve their prerogatives."

During recently convened planning conferences, local-level cadres tried to resist Beijing's efforts to take back financial decision-making powers.

Several regional leaders can be considered to be close followers of either Mr Hu or Mr Zhao.

For example, members of the so-called Communist Youth League faction—which has traditionally supported liberal policies—still staying on in power include Mr Wang Zhaoguo, the Governor of Fujian Province and Mr Hu Jingtao, party boss of the Tibet Autonomous Region.

Tian Jiyun Visits Guizhou 8-12 Dec

*OW1312154989 Beijing XINHUA in English
1535 GMT 13 Dec 89*

[Text] Beijing, December 13 (XINHUA)—Poverty-stricken areas should combine agricultural development and ecological balance with population-growth control in efforts to end fluctuation in farm production and raise the level of self-sufficiency in grain supply.

This was the message of Tian Jiyun, vice-minister of the State Council and a member of the Political Bureau of the Central Committee of the Communist Party, during an inspection of the countryside in the prefectures of Zunyi, Anshun and Bijie in Guizhou Province, southwest China, from December 8th to 12th.

He said poverty-stricken areas should exploit or develop their major mountains, rivers, forests, farmland, soils and roads in a comprehensive and planned way.

He noted that because of the quick growth of the population and the deterioration of the ecological environment, Guizhou Province still ranks among provinces with low per-capita grain output.

However, he said, the province was promising if its medium or low yielding farmland, which represents more than 70 percent of its total 1.9 million hectares of farmland, were improved and its unused mountains and river surfaces were exploited.

The vice-premier urged continuation and deepening of reforms in the countryside and steady rural policies so as to set at rest the minds of more than 800 million peasants in the country.

Ding Guangen Speaks at 20 Dec Union Meeting

*OW2012203789 Beijing XINHUA in English
1643 GMT 20 Dec 89*

[Text] Beijing, December 20 (XINHUA)—As the leading class of China, the Chinese working class is the most basic force in the country's construction and reform and a strong and concentrating force in maintaining the country's stability and unity.

This statement was made by Ding Guangen, alternate member of the Political Bureau of the Chinese Communist Party Central Committee, at a meeting of the Presidium of the All-China Federation of Trade Unions, which opened here today.

He said that party committees at all levels must [words indistinct], the workers, including intellectuals, wholeheartedly and bring into full play the whole role of the trade unions.

The trade unions should maintain close ties with the workers and other people, safeguard their lawful rights and interests and work hard to help them with their difficulties, he said.

He urged the trade unions to educate the workers to adhere to the four cardinal principles (adherence to the socialist road, the people's democratic dictatorship, leadership by the Communist Party and Marxism-Leninism-Mao Zedong Thought), the policy of reform and opening to the outside world and to oppose bourgeois liberalization.

"We should let everyone understand that there will be no hope for China if the four cardinal principles are not adhered to, and what has been achieved may also be lost," Ding stressed.

At present when China is undergoing an economic readjustment, Ding said, the trade unions should educate the workers to work hard to increase production, practise economy and improve economic performance of their factories so as to help the country to overcome the temporary economic difficulties.

The trade unions should also convey the suggestions and hopes of the workers to the government so as to help the government improve its work, Ding said.

Xu Shijie Writes on Tolerance, Desire

*HK2112040389 Beijing RENMIN RIBAO in Chinese
7 Dec 89 p 1*

["People's Forum" Article by Xu Shijie: "'Tolerance' and 'Desire'"]

[Text] As I was concentrating on the work in party building, in strengthening the leadership group, and in overcoming the negative and corrupt phenomena, an ancient saying came to my mind: "When there is tolerance there is greatness, when one has no desire one is upright." It is enlightening, and is the truth. When a person works, makes a living, and handles matters, "tolerance" and "desire" are two words that are soon involved. A party member, and in particular a leading cadre, has a closer relation to "tolerance" and "desire."

"Tolerance" means acceptance and capacity. Only when there is some space, and big capacity, can something be accepted. Only when there is acceptance, can there be greatness. Narrow-mindedness, trivial calculation, discrimination against all those who have different views, and lack of capacity can only mean smallness, not greatness.

"Desire" means wants, that is, the need for satisfaction. If one has too many private desires, one will be dirty and weak. If one can restrain his private desires, one will be a righteous person, uncorrupted, firm and strong, struggling bravely against evil tendency. Therefore, when one has no desire, one is upright.

If a cadre can be humble, and can listen to different views and understand them, he can draw on collective wisdom and absorb all useful ideas, and can make comparatively correct decisions, so as to enable others to be bright because of his brightness. This cadre is able to

be broad-minded, to recruit cadres from every corner based on professional and ethical criteria, to accept as many as possible, to avoid nepotism and clique, to correctly implement the policy on cadres, to unite with the great masses of cadres, and to arouse the eagerness of everybody. By so doing, this cadre can make less mistakes or no mistake on the important issue of proposing ideas and of appointing cadres, laying a good foundation for doing well the work in correctly implementing the party's principle and policy.

Of course, "tolerance" does not mean lack of principle; nor does it mean that the right thought is undistinguished from the wrong one, or that the good cadre is undivided from the bad one.

A cadre must set a limit to his own desires, and must first consider what contribution he can make to the society and the people than to think about what reward the society and the people can give in return. Of course, when discussing the reward, it must be decided upon with reference to consideration of productivity level of the society, and must conform to the law and social ethics. As a party member, our purpose is to serve the people, heart and soul. We must not talk about reward for each matter, but should talk about contribution. A selfless contribution has something in common with the saying that "when one has no desire one is upright."

We are not advocating asceticism; a person cannot have no desire. Of course, selflessness is the lofty realm, "I will do it risking my life if it is beneficial to the country, and will not avoid it because of personal agony or well-being." It is already very good if one can first consider public interest rather than private interest. If one jeopardizes public interest for the purpose of one's private interest, or seeks private interest at the expense of public interest, that is not what a party member looks like.

Tolerance and desire are closely connected. A party member who has attained a lofty realm of thought and possessed a certain degree of consciousness is always one who is broad-minded and can restrain private desires. The one who can accept others and listen to different views often is the one who is indifferent to private desires. The one who is greedy of gain and has numerous desires is often the one who cannot listen to different views. This person cannot accept other people, and tends to be fond of personal dependence and of forming a clique.

In fact, within the party, there are some leading cadres whose mind is as narrow as the eye of a needle in the matters of proposing ideas and of selecting cadres for appointment. They cannot tolerate views other than their own. But they themselves have unlimited desires for money, wealth, entertainment, and extravagance. Some of them are old people living a comfortable life; still, they are worrying about how to establish "the Garden of Eden" for their wives, children, and grandchildren. They have little tolerance but great desires.

Some leading cadres have lived out many years within the party, but concerning the problem of "tolerance" and "desire," they lay far behind some figures in the feudal period. We all know that [Emperor] Li Shimin in the Tang Dynasty once said to his officials: "If one abuses power and commits corruption, the consequence of one's action is not simply violation of law and jeopardy to the people; even one's action is not revealed, would one not be worrying about it? There are indeed some people who die from too many worries. Will a true man keep his treasure, but lose his life, and cause shame for his descendants?" (cited from ZHENGUAN ZHENGYAO, Tang Dynasty) This remark of Li Shimin, which was made more than 1,000 years ago, is still very true today.

As a leading party cadre, one must establish the dialectical materialist and historical materialist world view, and have lofty realm of thought. If one cares only for profits, causes harm to others and takes private interest as the supreme purpose of one's life, one will eventually be abandoned by the people. Comrades, everyone of you must behave like what [ancient scholar] Fan Zhongyan said: "Be worried before the world is worried; be happy after the world is happy." One must properly handle the relations between "tolerance" and "desire." For those who have come to their old age, they should all the more maintain their integrity in their later years, and, as flowers, "dance when dropping, releasing their scent as they are swept away."

State Council Group Inspects Jilin Cleanup Work

SK2112003589 Changchun Jilin Provincial Service
in Mandarin 1030 GMT 18 Dec 89

[Text] On 18 December, the group to inspect the province's work of cleaning up and straightening out companies, dispatched by the State Council, held a forum with deputies to the provincial People's Congress, members of the provincial Committee of the Chinese People's Political Consultative Conference, and members of the provincial democratic parties.

The comrades participating in the forum unanimously maintained: Our province has achieved some results in cleaning up and straightening out companies in the preceding stage. A group of companies have been closed down or amalgamated with others and some official racketeers have been exposed. Thus, the confused economic order has taken a turn for the better.

They also set forth some constructive suggestions on solving the problems cropping up in the course of cleaning up and straightening out companies.

They maintained: In the course of cleaning up and straightening out companies, we must not only have a group of companies close down or be amalgamated with others but also focus on solving the problems related to [words indistinct] and companies' leaders and those in the distribution of interests. We must fully understand companies' positions and functions in developing commodity production; and draw a clear demarcation line

between official racketeers and companies. We must firmly attend to carrying out the work of cleaning up and straightening out companies, and ensure not to overextend the battle line so as to avoid unnecessary waste. The progress and the results of the work should be made public in a timely manner. Efforts should be made to deal with the problems related to the companies that have been closed down or merged with others. Based on the achievements in the preceding stage, we should study and work out regulations on management of companies so as to carry out the work according to law.

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Science & Technology

Jiang Addresses 19 Dec Awards Meeting

OW2012211689 Beijing XINHUA Domestic Service
in Chinese 1350 GMT 19 Dec 89

[Speech by Jiang Zemin at the national science and technology awards meeting on 19 December 1989: "It Is a Historic Mission of the Entire Party and the Entire Nation To Expedite Scientific and Technological Development"]

[Text] Beijing, 19 Dec (XINHUA)—Comrades:

We are holding this national science and technology awards meeting today to commend the scientists and experts who have made outstanding contributions to China's scientific and technological development, and to review the scientific and technological achievements China has attained in recent years. On behalf of the party Central Committee, the State Council, and the Central Military Commission, I wish to express my warm congratulations to and high respects for the award winners and other representatives present here today, as well as all scientists and technicians working on all fronts in the country!

China now has a mammoth contingent of nearly 10 million scientists and technicians who, like other intellectuals, are an important part of the working class. Inheriting and carrying forward the fine traditions of revolutionary predecessors and scientists of the older generations, this mammoth contingent of scientists and technicians are loyal to the motherland, the people, and the socialist cause. They are dedicated to the struggle of building a powerful and prosperous motherland. They work with a scientific approach of seeking truth from facts, and they have the noble character of bravely scaling the heights of science and fighting tough battles. Having gone through the tests of protracted struggles, they are the real elite of the Chinese people. We are proud to have such a contingent of highly proficient scientists and technicians.

Awarding scientific and technological success has long been an important policy of the CPC and the Chinese Government and an important way to expedite scientific and technological development. Of course, only a small number of comrades have received awards; but the dedication and hard work of the majority of scientists and technicians, like the precious contributions made by other unknown heroes, have also become part of the great cause of our party and the people. The services of all scientists and technicians, regardless whether or not they are award winners, will be forever engraved in the hearts of the people and will forever go down in the brilliant history of the progress of our motherland.

Now I would like to share with you my views on science and technology.

1. The Key Role Played by Scientific and Technological Development in Modernization

One of the great endeavors of mankind, science and technology is a revolutionary force giving impetus to historical development. In the modern world, science and technology play an increasingly decisive role in the development of the social productive forces, and have a widespread and profound impact on all spheres of human society. No major problems confronting the world, such as resources, environment, ecology, and population, can be resolved without relying on science and technology. To a great extent, the worldwide economic competition and competition for overall national

strength today can be observed in scientific and technological competition. A country and its people that always fall behind in scientific and technological development cannot possibly become prosperous, nor can the country become one that can stand tall among other countries in the world.

When our party called on the people of the whole country to work hard to achieve the four modernizations 11 years ago, Comrade Deng Xiaoping, in a speech of far-reaching significance given at the National Conference of Science, incisively expounded the Marxist viewpoint that science and technology are productive forces. He emphatically pointed out: "The key to the four modernizations is the modernization of science and technology. Without modern science and technology, it is impossible to build modern agriculture, modern industry, or modern national defense." His speech laid the ideological and theoretical foundation for the formulation of the basic principles and policies for scientific and technological development in China during the new period. While commenting on economic development recently, Comrade Xiaoping has time and again pointed out that science and technology are the first production forces, that science is a terrific thing, and that we must attach importance to science because it is possible that problems will eventually be resolved by science. These judgments have further expounded the important and tremendous roles played by science and technology.

China is still a developing country which has a large population, a weak foundation, limited per capita share of resources, and relatively backward economic and educational development. All these factors have been hindering our country's economic and social development for a long time. Thus, in order to modernize our socialist country under such historical conditions, we must work hard before we can substantially increase our labor productivity and improve the people's material and cultural living standards. Modern science and technology are undergoing a profound revolution, so making great efforts to expedite China's scientific and technological development and gradually shorten the overall distance between China and developed countries so that we can approach and catch up with the advanced world level is an urgent task confronting the whole party and people of all nationalities in the country. We must give strategic priority to scientific and technological development and improve our economic and social efficiency [jing ji xiao yi he she hui xiao yi 4842 3444 2400 4135 0735 4357 2585 2400 4135]. To achieve this objective quickly, we must expedite our scientific and technological development. For a long time to come, cadres at all levels must keep firmly in mind and earnestly implement this national policy which the CPC and the government have drawn up in light of China's situation and the current trend of scientific and technological development.

To a great extent, China's enormous success in its economic and social development in the last 40 years, especially since the 3d Plenary Session of the 11th CPC

Central Committee, have been achieved through relying on scientific and technological development. Prior to the founding of New China, there were less than 50,000 scientists and technicians in China, fewer than 500 of whom were engaged in scientific research at 30 or so research institutes. Their research was primarily to classify the characteristics of resources in connection with China's natural conditions. In those days the technology of industrial production was very outmoded, the ways of agricultural production were still those that had gone on for several thousand years, and there was virtually no modern science and technology. Since the founding of New China, we have trained 9.6 million scientists and technicians, including 700,000 senior scientists and technicians, established a scientific and technological system with relatively complete branches of learning, the number of independent research institutes exceeds 5,200, and enterprises and colleges have set up more than 5,000 affiliated research organs. During the last decade, China has made significant headway in organizing scientists and technicians to brainstorm major scientific and technological problems, in applying and popularizing research results, in promoting scientific and technological development at enterprises and in rural areas, in developing high technology research, in developing high technology industries, in intensifying basic research, and in promoting international scientific and technological cooperation and exchanges. Presently, China has devised a preliminary, three-tier plan for promoting its scientific and technological development: Gearing to the needs of economic construction, which is the main battlefield [zhu zhan chang 0031 2069 1034]; following the track of high technology research and promoting its application in industrial production; and intensifying basic research. The enormous vitality generated from the profound changes taking place in the mechanisms and patterns of scientific and technological work has expedited the integration of science and technology with economic development as well as scientific and technological development itself. In certain areas, China's relatively strong capacity for tackling major scientific and technological problems is approaching or has reached the advanced level of the world. The nation is basically capable of counting on its own strength to resolve major scientific and technological problems relevant to its economic construction and national defense. While our scientific and technological development has contributed enormously to the nation's current modernization drive, it has, more importantly, laid a solid foundation for future development.

While recalling the enormous success we have achieved during the past 40 years, we also cherish the memory of Comrades Mao Zedong, Zhou Enlai, Liu Shaoqi, Zhu De, Chen Yi, Li Fuchun, and other revolutionaries; and Comrades Guo Moruo, Li Ziguang, Zhe Kezhen, Mao Yisheng, Huo Luogeng, and other scientists of the older generation who are no longer with us. We also want to express our heartfelt thanks to Comrades Deng Xiaoping, Nie Rongzhen, and others revolutionaries; and Comrades Yan Jici, Zhou Peiyuan, Qian Xuesen, and

other scientists of the older generation who are still with us. Scientists and technicians and people of all nationalities in China will forever remember the exceptional services they have contributed to New China's scientific and technological development.

2. China's Principal Experiences in Developing Science and Technology

The socialist system has liberated science and technology by freeing it from the shackles of private ownership. Instead of being a means for the exploiting class to oppress the people and collect wealth as it was, it has become an undertaking to truly bring good fortune to the masses, thereby becoming a cause of the highest honor. Once it is combined with the socialist system, combined with the pioneering spirit of the people, and combined with the practice of transforming nature and society, it will be able to have the vigor to flourish and the great power to create miracles.

What are the principal experiences China has acquired in developing science and technology in the past 40 years, particularly in the last 10 years?

First, we have persisted in the strategic policy of gearing science and technology to economic construction and relying on science and technology to carry out economic construction. Science and technology have many different departments and serve a wide range of purposes, but serving economic construction is the purpose that should occupy first place. Economic construction cannot be separated from the progress in science and technology when it comes to solving major problems. Science and technology must be closely combined with economic construction in order to bring their role into full play and to have a bright future. In order to really be able to proceed from the facts and act in accordance with objective law, and to achieve success in developing various economic and social undertakings, we must listen closely to the opinions of scientists and technicians. This is one basic link that ensures that our policy decisions, planning, management, and policy implementation will all be scientific in nature.

Second, we have persisted in relying mainly on our own efforts while making international cooperation subsidiary. We have shown full confidence in the wisdom and creative talents of the scientists and technicians of the Chinese nation. We have strived to develop national self-esteem and self-confidence and to promote collective and patriotic spirit and socialist and communist ideas. We have persisted in the reform and open policy on the basis of maintaining independence and keeping the initiative in our own hands so as to actively benefit from the advanced results of and advanced experiences in scientific and technological development gained by other countries. We have proceeded from the reality in China to bring in technology and talent from abroad and to digest, absorb, and enhance the imported technology and blaze new trails. It is precisely by persisting in this

principle that China's ranks of scientists and technicians have been able to mature in a sound manner and grow strong.

Third, we have persisted in scientific approaches and organization, stepped up macroeconomic guidance and reasonable arrangements, and used collective efforts to tackle problems in order of importance and urgency. Under the socialist system, we are fully equipped to make overall planning, promote cooperation and coordination between various quarters, and pool the wisdom of the collective while giving scope to individual skills to accomplish major tasks of science and technology which are called for by the national economy and national defense. It is precisely through highly effective organizational work that China has been able to start from scratch to gradually develop its nuclear technology and satellite and carrier missile technologies which have attained advanced world level.

Fourth, we have persisted in closely combining reform with development and to use reform to promote development and deepen the reform in the course of development. Since the 3d Plenary Session of the 11th CPC Central Committee, the party Central Committee and the State Council have adopted a number of important decisions and promulgated a number of principles, policies, laws and regulations for the purpose of reforming and perfecting the leadership structure and the management structure for science and technology and developing the cause of science and technology. We will continue to reform and perfect these structures.

Fifth, we have insisted that scientists and technical workers should engage in practical work and should work in cooperation with workers and peasants. We have insisted on simultaneously paying attention to raising the scientific and technological level and popularizing scientific and technical knowledge. We have insisted on linking research work by specialists and technical workers to technical innovations and transformations done by the masses. In this process, we have consolidated the masses' experience and creation in order to raise the scientific and technological level. We have popularized scientific research results and promoted scientific knowledge in order to raise our nation's scientific level. All this vividly reflects our party's mass line in scientific and technical work.

Sixth, we have insisted on the principle of letting a hundred flowers blossom and a hundred schools of thought contend, thereby creating a good environment and atmosphere for promoting science and technology. We have encouraged scientists and technical workers to establish new theories and explore new scientific fields on the basis of seeking truth from facts. We have encouraged different schools to put forward different academic views, conduct comradely discussions and consultations, and work hand in hand to promote science and technology. We have opposed using administrative means to interfere in academic freedom, and

have opposed arbitrarily criticizing and drawing conclusions on academic issues. The truth and falsehood, and the right and wrong in the scientific field are to be verified by practice.

Here I would like to cite some major experiences. These experiences are the crystallization of blood and sweat of the vast number of scientists and technical workers, and are the creation of the party, scientists and technical workers, and the people of the whole country. I am not saying that we have done everything well in the past 40 years. We have had the joy of success as well as the misery of failure. However, if we do things according to the above experience, our scientific and technical work and economic construction will advance in a comparatively smooth way. History has shown that this experience is correct. We should continue to persist in and enrich our experience in our practice in the future.

3. The Main Tasks of Current Scientific and Technical Work Serving Economic Development

In serving economic development, scientists and technical workers should plant their feet in the present and set their sights on the future. We should mobilize all scientists and technical workers to make an all-out effort to accomplish the task of further improving the economic environment, rectifying the economic order, and deepening reforms, which was set by the 5th Plenary Session of the 13th CPC Central Committee. At the same time, we should accumulate strength and create conditions for fulfilling the second- and third-phase strategic goals of our economic development.

We should invigorate agriculture through applying science and technology. All localities, depending on the level of their economic and educational development, local natural conditions, and farming characteristics, should apply science and technology to raise agricultural productivity, increase crop yield per unit of farming area, and effectively utilize resources. On one hand, we should vigorously promote the application of suitable scientific and technological results in order to achieve mass production benefits. On the other hand, we should step up research and development on major scientific and technical projects in order to ensure that we have a good foundation for further agricultural and rural economic development. The center of scientific and technical work in rural areas should be shifted to introducing, demonstrating, and promoting advanced and applicable research results. We should establish and improve agrotechnology promotion and service organizations of various forms, and further stabilize and strengthen scientific and technical forces in rural areas. We should seek new sources of funding and increase investments in scientific and technical work. We should gradually professionalize and socialize rural production, and develop production management on a fairly large scale in order to lead the vast number of peasants to the socialist path of achieving common prosperity through the application of science and technology.

We should raise the industrial technical and management level through the application of science and technology. We should let state planning play its guiding role, and organize highly trained technical personnel to solve major engineering and technical problems of a general nature. We should continue to modernize production technology of industrial enterprises. Large and medium enterprises and enterprise groups should establish a technological development and production technology management system led by the chief engineer and the factory director. They should also establish a technological development organ and make efforts to improve it. Small and rural enterprises should develop their own technical support forces of various forms. All localities and departments concerned, based on the characteristics of different industries, should establish and strictly enforce criteria for evaluating the technical level of enterprises. Under the guidance of the government's industrial policies, they should make unified plans and speed up technological transformation, raise the production level, expand production capacity, avoid establishing enterprises producing similar products, improve overall economic results, and raise the overall technical level. We should promote key research results that have a decisive impact on the development of energy, communications, raw and processed materials industries, and other basic industries. In addition, we should work hard to reduce energy consumption, improve the quality of products, and reduce environmental pollution. In introducing new technology from foreign countries, we should provide better guidance. We should avoid only paying attention to equipment while neglecting technology, only paying attention to using technology while neglecting digesting it; and avoid blindly importing new technology and importing similar technology. It is necessary to enlist the initiative of scientific and technological personnel in studying the feasibility of importing technology, especially important technology, and to properly adopt and utilize them. It is also necessary to encourage various units to promote technical innovations and strengthen our own capability in the development of science and technology. We should encourage scientific research organizations, schools of higher learning, and medium and large enterprises to give full play to their own advantages in science and technology and work together in close coordination.

We must rely on our own scientific and technological forces and make great efforts to study and develop new and advanced technology. We should use new and high technology to transform our traditional industries and promote the development of new and high technology industries with good planning and organization. This will have a great bearing on adjusting the industrial structure, promoting technological transformation of traditional industries, greatly raising labor productivity, and strengthening our competitive power in the world. We should support the implementation of plans for developing new and high technology industries with funds and materials. In the meantime, we should continue to assist the development of existing experimental

zones for new and high technology industries. We should encourage scientific research organizations and schools of higher learning to cooperate with enterprises. Units with good conditions may set up enterprises of advanced science and technology to produce new and high technology products. Various departments should work in close coordination and strive to catch up with world advances in science and technology so as to create conditions for producing and selling new and high technology products on the international market. We should closely watch and follow the world trends in scientific and technological development and conscientiously implement and constantly perfect plans for studying and developing new and advanced technology.

We should support research in basic sciences in order to strengthen our staying power in developing science and technology. Although we cannot immediately see the economic benefits of this work, it will certainly have a great bearing on the long-range development of science and technology and the economy. Therefore, we must always attach great importance to the work and implement a policy of guaranteeing the sustained and stable development of research in basic sciences. We should effectively strengthen investment in the study of basic sciences and ensure stability in medium and long-term research projects. We should support a number of key research units in studying basic sciences, further improve state experimental units, and successfully operate exchanges of scientists with doctoral degrees. We should encourage scientific research units, schools of higher learning, and enterprises to exchange scientific and technological personnel and pay attention to training academic leaders for the new generation.

In order to develop science and technology, well-trained people are the key. We must do our best to create favorable conditions for encouraging scientific and technological personnel to persistently and dauntlessly make progress in studying modern science and technology with a profound range and good quality. We should encourage them to constantly scale new heights in science and technology. We should also pay attention to popularizing science and technology, actively unfold mass activities promoting technological innovation and invention, and raise the quality of the broad masses of workers in knowledge of science and technology. We should start to popularize knowledge of science and technology among youngsters; create an atmosphere of loving science, studying science, and applying science among people of all nationalities; and train a large scientific and technological reserve force with socialist awareness and a knowledge of modern science and technology.

4. It Is Necessary To Strengthen and Improve the Party's Leadership Over Scientific and Technological Work

The promotion of socialist modernization has opened up a vast area for developing and scientific and technological endeavors and making them prosper. It is our party's imperative and historical task to strengthen and improve

the party's leadership over scientific and technological work, formulate and implement a correct policy, give full play to the initiative and creativity of scientific and technological personnel, and use all achievements in science and technology to serve the people and the cause of socialism.

Party and government departments at various levels should include scientific and technological work on their daily agenda; understand and grasp the situation of scientific and technological development in their respective places in a timely manner; constantly discuss policies, plans, and measures for developing science and technology; study and solve problems and difficulties in the development of science and technology; and sum up and promote good experience and typical examples in developing science and technology. We must persist in respecting knowledge and capable people and foster this in the society.

Leading members of party and government organizations at various levels should organize departments and units concerned to closely coordinate their work and jointly promote scientific and technological progress. Various departments in charge of scientific and technological work should strengthen their comprehensive management. Various planning departments should strengthen their planning for scientific and technological development in coordination with their planning for economic and social development projects. Various budget departments should, within their power, gradually increase investment in scientific and technological development. Various financial departments should strive to solve the problem of necessary funds for turning scientific and technological achievements into benefits in the process of production. Various tax departments should further formulate tax policies which would encourage scientific and technological progress. We should also strive to increase economic results in using manpower, money, and materials.

We should continue to grasp the training of scientific and technological personnel and constantly raise the ideological and political level and professional skills of senior scientists and technicians. We should wholeheartedly rely on the working class, including intellectuals who are part of the working class. Our scientific and technological workers should strive to master their respective professions; consciously adhere to the four cardinal principles; keep to reform and opening to the outside world; closely link their own undertakings with the cause of socialist modernization, the fate of various nationalities, and the future of the country; and fulfill their own historical task. We should, while considering the special characteristics of scientific and technological work, warmly show concern for the growth and progress of scientific and technological personnel and encourage them to grasp the theory of knowledge and methodology of Marxism-Leninism-Mao Zedong Thought in the course of their scientific and technological practice. We should continue to absorb party members and select and promote cadres from among outstanding scientific and

technological personnel. Leading cadres of party and government organizations at various levels should constantly listen to suggestions, opinions, and appeals of scientific and technological workers; seriously help them solve actual problems in their study, work, and daily lives; respect, understand, and love them; and be their intimate friends.

Comrades: The party and government are attaching importance to scientific and technological work. People of all nationalities in the whole country are enthusiastically expecting progress in science and technology. They all place great hope in scientific and technological workers in the country. We are convinced that all scientists, experts, and technological personnel who love the motherland will certainly make new and greater contributions to the economic prosperity of our country, the all-round progress of society, the rejuvenation of the Chinese nation, and the common happiness of the people under the guidance of the party's basic line.

Commentator Urges Applying Science to Agriculture

HK2112080089 Beijing *RENMIN RIBAO* in Chinese
9 Dec 89 p 1

[Commentator's Article: "Be Good Leaders in Invigorating Agriculture by Science and Technology"]

[Text] A groundswell of support for agriculture has swept the country since the 5th Plenary Session of the 13th CPC Central Committee. The "Decision by the State Council on Invigorating Agriculture by Science and Technology and on Popularizing Agricultural Scientific and Technological Achievements" was announced today. It is an important decision to end agricultural stagnation and promote the sustained and stable development of agriculture. Leaders at all levels are required to take the lead in invigorating agriculture by science and technology and in seriously implementing this decision.

The popularization of agricultural science and technology has remained a weak link in rural economic work for a long time and this has mainly resulted from leaders' negligence. In the minds of many comrades, deepening reform and increasing material investments are "rigid tasks" that must be completed whereas popularizing agricultural science and technology is a "soft task." They are therefore very active in asking for financial and material supplies but pay little attention to the popularization of agricultural science and technology. Science and technology have a great impetus in modern agricultural production. In developed countries, 60 to 80 percent of the increases in agricultural production are realized by means of science and technology. But in China, science and technology only account for 30 percent of the factors promoting agricultural production. To change this backward situation, it is necessary to change our leaders' minds, take a new attitude toward the work of invigorating agriculture by science and technology, and pay equal attention to both "rigid and soft tasks."

The popularization of agricultural science and technology does not concern the departments of agricultural science and technology alone. In the past, only these departments were encouraged to popularize agricultural science and technology. This did not generally produce ideal results. The popularization of agricultural science and technology cannot be separated from the leadership and coordination by governments at all levels. Many local leaders in Hebei and Henan have taken the initiative in coordinating the role of agricultural, financial, material supply, commercial, scientific research, educational, and communications departments, thus making it possible to ensure the popularization of advanced agricultural science and technology and to produce marked economic results. This leadership method is worthy of recommendation. Practice has proved that like other work, agricultural invigoration will yield good results as long as leaders fulfill their jobs in a down-to-earth manner.

The popularization of agricultural science and technology should proceed in a practical manner. Only when leaders go to the forefront will they gain the initiative in guiding this work. Of course, administrative cadres cannot be so proficient in agricultural skills as agricultural experts, but it is necessary and possible for them to gradually understand and master some important agricultural science and technology in the course of production. Only in this way can they avoid issuing confused orders, reach a common understanding with agricultural scientific and technological personnel and peasants, and can the popularization of agricultural science and technology proceed in a down-to-earth and healthy manner. We hope that leaders at all levels, particularly those at the county level, will "go deep" to the forefront of agricultural production and take the lead in invigorating agriculture by science and technology.

Military

Yang Baibing Stresses Learning From Lei Feng

OW1412085689 Beijing *XINHUA Domestic Service*
in Chinese 1213 GMT 9 Dec 89

[Text] Beijing, 9 Dec (XINHUA)— Using it as "a substitute for preface," the newly published "Selected Diaries of Lei Feng" published a speech made by Yang Baibing, secretary general of the Central Military Commission and director of the PLA General Political Department. He gave this speech when he inspected the regiment to which the late Lei Feng belonged. In his speech, Yang Baibing called on units of the whole Army to further carry forward the spirit of Lei Feng under the new situation.

Yang Baibing pointed out: Comrade Lei Feng was an outstanding representative of the new generation of people nurtured by our party, Army, and people. He will forever be a brilliant example from which to learn. The spirit of Lei Feng is an advantage to our Army. Under the new situation, our Army must greatly strengthen

ideological and political work, firmly establish a strong spiritual pillar, and effectively resist the corrosion of various kinds of erroneous ideology. We should guide cadres and fighters to follow the example of Lei Feng in firmly fostering Communist ideals and belief, serve the people wholeheartedly, and further carry forward Lei Feng's spirit.

Yang Baibing explained three points in learning from Lei Feng. First, it is necessary to have a firm orientation in learning from Lei Feng. Second, it is necessary to pay attention to learning and carrying forward Lei Feng's spirit. Third, it is necessary to adopt effective measures to insure that the learning activities will be unfolded constantly. He emphatically pointed out: Lei Feng's orientation was correct in the past, is correct at present, and will be correct forever in the future. The spirit of Lei Feng is not only deeply rooted in the hearts of people of the great motherland, but also has a great influence on people abroad. In the particular struggle to stop turmoil and quell the counterrevolutionary rebellion, the Army maintained a high degree of centralized unity and stability. In particular, the units, which implemented the tasks of enforcing martial law, performed in an outstanding manner and their deeds can be described as a reappearance of the spirit of Lei Feng. This was closely linked to our efforts to grasp ideological and political work, including our efforts to energetically advocate Lei Feng's spirit. Facts have proved that the spirit of Lei Feng is not outmoded. On the contrary, we should vigorously advocate and carry forward Lei Feng's spirit. We should justly and forcefully advocate Lei Feng's spirit and energetically unfold activities of learning from Lei Feng. Our times require Lei Feng's spirit, our people cherish the memory of Lei Feng's spirit, and our Army needs more Lei Feng-type of fighters. The better we develop Lei Feng's spirit, the greater will be the development of our cause. We must firmly believe and keep to this point.

Yang Baibing emphatically pointed out that learning from Lei Feng is not just simply copying his deeds, but people should attach importance to learning the basic principles of his spirit. He summarized five aspects in learning from Lei Feng: 1) We should learn from Comrade Lei Feng his class stand of being clear about what to love and what to hate. "Toward the enemies, we should be ruthless and as cruel as the severe winter. Toward the party and people, we should be faithful and forever loyal." In the face of cardinal issues of right and wrong, we should take a clear-cut and firm stand and be of one heart and one mind with the party. 2) We should carry forward Lei Feng's "nail" spirit and strive to learn and master Marxism-Leninism and Mao Zedong Thought. We should read more good books and constantly raise our own political and theoretical level. We should enhance our ability to see through and resist against the ideology of bourgeois liberalization. We should always maintain a high degree of unanimity with the party Central Committee ideologically, politically, and in our action as well as be always qualified politically. 3) It is

necessary to learn from Lei Feng his thinking of serving the people wholeheartedly, attach importance to the interests of the party and people in everything, and "dedicate our limited life to the cause of serving the people limitlessly." We should energetically advocate the spirit of making selfless contributions and self-sacrifice and strive to accomplish various tasks entrusted to us by the party and people. 4) We should carry forward Lei Feng's spirit of hard struggle and consciously adhere to "making a high demand on our work and a low demand on our living need." We should forever maintain our Army's inherent political quality of hard struggle. 5) We should follow the example of Lei Feng in loving all our assignments and strive to make solid achievements in our respective posts. We should perform like a stainless "screw," willingly accept any assignment by the party, and make outstanding achievements in our assigned posts. In the new historical period, we still need this spirit of being a "screw." With this spirit, we can implement our tasks and perform our work in a firm and solid manner.

In conclusion, Yang Baibing stressed that leading cadres at various levels should take the lead in learning from Lei Feng and putting Lei Feng's spirit into practice and use their exemplary action to influence and lead cadres and fighters at the grassroots level in learning from Lei Feng.

Report Reviews East China Sea Exercises

HK1012061089 Beijing JIEFANGJUN BAO in Chinese
21 Nov 89 p 1

[Report by Yang Dechang (2799 1795 2490): "Formation of Many Types of Warships Organized by East China Sea Fleet Completes Combined Exercises in Open Seas Beyond Littoral Zone"]

[Text] The formation of many types of warships organized by the East China Sea Fleet has completed combined exercises that lasted some 100 days in open seas beyond the littoral zone to temper and improve the capabilities for offshore survival and actions. The total range covered some 57,000 nautical miles with the completion of 37 items involving mission, coordination, and applied emergency, and a score of 100 percent, which has been a record high in offshore combined exercises in recent years. Recently, the formation has safely returned to their home base.

The formation organized by the East China Sea Fleet has overcome all sorts of difficulties in carrying out one exercise after another in open seas, involving flexible and non-flexible actions in the minimum distance within the radius of action, closing in within the range of fire net, and launching attacks with guided missiles beyond the field of vision.

The recent exercise took place in the sea zone where storms and boat accidents are most frequent. A monsoon lingered throughout the period of the exercise. More often than not danger surfaced when there was practically no support out in the sea, nor any conditions for

cover. The formation did a good job in weather forecasting by earnestly studying the characteristics of the sea zone, keeping track of and analyzing the weather to accurately predict the tendencies of storms, the traces and velocities in their movement, and the formation's location in the zones afflicted by storms and waves. Through 100 percent accuracy in weather forecasting, the formation efficiently avoided the attacks of six extraordinary storms without a single accident during the exercise.

The recent exercise further tempered and tested the comprehensive maintenance capabilities of the naval

formation in offshore operations. Concentrating on the special conditions of long-term flexibility, characterized by great fuel consumption, great food supply demand, the dispersive nature of various tactical operational groups, and consequently extremely great difficulties in logistics, the formation implemented the method of combining tracking with rendezvous supply. Equipment maintenance was conducted primarily with the crew, with emergency repairs made as necessary. At the same time, contingency planning was observed in the sufficient parts supply, so that breakdowns might be promptly resolved. The smooth going of the exercise therefore was ensured.

East Region

Anhui Governor Addresses Study Class

OW1712070589 Hefei ANHUI RIBAO in Chinese
29 Oct 89 pp 1, 3

[By the secretariat of the study class]

[Excerpts] The second study class for cadres at and above the department and bureau levels in Anhui closed on 25 October. Fu Xishou, deputy secretary of the provincial party committee and governor, gave a summation speech at the closing. He emphatically pointed out: In studying Comrade Jiang Zemin's important speech, it is necessary to first achieve unity in thinking and understanding and then, after thoroughly comprehending the basic guidelines of the speech, concentrate efforts on achieving unity in thinking and understanding the following four aspects:

1. It is necessary to achieve unity in understanding the achievements as well as mistakes over the past 4 decades so as to build up conviction in the ultimate victory of socialism. Fu Xishou said: To correctly understand the achievements and mistakes in the past 4 decades since the founding of the country is the prerequisite for correctly comprehending the guidelines of Comrade Jiang Zemin's speech. In reviewing the 4 decades of history, we must fully confirm the Chinese people's brilliant achievements made under the socialist system. [passage omitted]

We must also realistically analyze the mistakes in our work. The gravest mistake before the convening of the 3d Plenary Session of the 11th CPC Central Committee was the "left" leaning guiding ideology and ossified system, while the mistake of recent years is the negligence in ideological and political education and failure to consistently uphold the four cardinal principles, thus causing the ideological trend of bourgeois liberalization to spread unchecked. That we have squarely faced up and resolutely corrected these mistakes will not tarnish the image of China's socialism, but will help us understand more comprehensively and penetratingly the law of socialist construction; and will not wipe out the people's conviction in socialism, but will more effectively mobilize the people of all nationalities in striving to build socialism with Chinese characteristics. [passage omitted]

2. It is necessary to achieve unity in understanding the interrelations between the "two basic points" so as to draw lessons from both positive and negative experiences. Fu Xishou pointed out: Comrade Jiang Zemin's speech is permeated with the idea of unity between upholding the four cardinal principles and persisting in reform and opening to the outside world. This is a very important question. Without straightening out this question, the two different mistakes, ossification and liberalization, will appear alternately and impede the progress of our cause. The four cardinal principles are the cornerstones of the country, while the reform and opening is the road leading to a strong country. The two are closely

related to each other and cannot be separated. They are both indispensable for constituting the essential characteristics of Chinese style socialism. [passage omitted]

Discussing ways to uphold the dialectical unity between the two basic points, Fu Xishou called for particular attention to the following two aspects: First, it is necessary to draw a line of demarcation between two different views of reform and opening. In other words, we should be able to discern the kind of reform we need and ways for our reform and opening to the outside world. Our reform and opening is aimed at improving the socialist system, while reform and opening wanted by advocates of bourgeois liberalization and reactionary forces at home and abroad means capitalization, that is, transforming our socialism into capitalism through "peaceful evolution." Second, under no circumstances should we view the four cardinal principles from an ossified stand. The four cardinal principles are filled with practical, innovative, and open properties and they are absolutely not subjective, closed, and outdated dogmas. [passage omitted]

3. It is necessary to achieve unity in understanding the principle on "building socialist material and spiritual civilization simultaneously" so as to effectively promote the construction of spiritual civilization. Fu Xishou said: The modernization we pursue is socialist modernization. It is not only a concept of material production and of science and technology, but also a process of social development and progress closely related to the consolidation and perfection of the socialist system. In this process, should we pay attention to only material civilization and neglect spiritual civilization, it will certainly lead to more and more members of society blindly limiting themselves to the pursuance of material benefit and enjoyment, forfeiting noble ideals, moral values, and wholesome aesthetic standards and lifestyles. It will also weaken the relations of unity, fraternity, equality, mutual assistance, and close cooperation commensurate with a socialist society, thereby giving rise to the spread of various negative social phenomena and endangering our cause. [passage omitted]

4. It is necessary to achieve unity in understanding the importance of stepping up the study of theory by leading cadres so as to continuously raise the whole party's theoretical level and political acumen. Fu Xishou said: As pointed out by Comrade Jiang Zemin in his National Day speech: "A Communist who lacks theoretical training in Marxism and is not good at using the correct stand, viewpoint, and method in analyzing and solving problems cannot play his due role, nor become qualified for any leading role in the party at all." This pertinent and incisive advice explains the extreme importance and urgency for party member-cadres, especially leading cadres, to study theory. [passage omitted]

The second study class was attended by over 400 cadres from 136 departments, bureaus, and schools of higher learning, as well as some provincial-level leaders and retired veteran comrades. Before the closing of the study

class, Wang Shengjun, Standing Committee member and secretary of the Political and Legal Affairs Commission of the provincial party committee, presided over a meeting to exchange experiences among various groups of the study class. The third study class was formally opened on 26 October.

Fujian Secretary Attends Non-CPC Forum

*OW1712133989 Fuzhou Fujian Provincial Service
in Mandarin 1100 GMT 6 Dec 89*

[Text] The Fujian Provincial CPC Committee held a forum of non-CPC personages on the morning of 6 December. The forum discussed the guidelines of the 5th Plenary Session of the 13th CPC Central Committee. Jia Qinglin, deputy secretary of the provincial CPC committee, presided over the forum.

Present at the forum were Chen Guangyi, secretary of the provincial CPC committee; Wang Zhaoguo, governor of Fujian Province; Hu Hong, chairman of the provincial advisory committee; Cheng Xu, chairman of the provincial people's congress standing committee; and Zhang Kehui, member of the standing committee and head of the United Front Work Department of the provincial CPC committee.

Chen Xizhong, vice chairman of the Fujian provincial committee of the Chinese People's Political Consultative Conference [CPPCC] and honorary chairman of the Fujian provincial committee of the China Democratic National Construction Association, spoke at the meeting on behalf of (Cai Zaixin) and (Lin Xiang), chairman and vice chairman, respectively, of the Fujian provincial committee of the China Democratic National Construction Association.

He said: Our economic growth should be at a proper rate. We must not be overanxious for quick results, but this does not mean the slower the better, either. We should reform our production and improve our economic structure in the course of improving the economic environment and straightening out the economic order.

Chen Jiazheng, vice chairman of the Fujian provincial committee of the China Democratic National Construction Association, expressed his views on governing the country according to law.

Chen Jiazheng said: The practice in the last 7 years since the promulgation of the new PRC Constitution proves that the Constitution is the fundamental law of our country. Any Chinese citizen must act within the limits of our Constitution. Our economic and other work will surely enjoy an even fuller protection if we can set up a socialist legal system.

(Wang Chuanchun), vice chairman of the Fujian provincial committee of the China Peasants and Workers Democratic Party, spoke on ways to give play to the role of scientists and technicians. (Lin Guangmei), vice chairman of the Fujian provincial committee of the

Federation of Industry and Commerce, discussed ways to bring into play the role of the Federation of Industry and Commerce as a nongovernmental chamber of commerce in the course of reform and opening to the outside world. (Zheng Yishou), vice chairman of the Fujian provincial committee of the China Association for Promoting Democracy, expressed his views on ways to do the [word indistinct] work.

Zhao Xiufu, vice chairman of the provincial CPPCC committee and chairman of the Fujian provincial committee of the China Democratic League, said: An unclean government is one of the factors for social instability. All our government departments should pay attention to promoting ethical integrity and serve the people wholeheartedly.

Zhao Xiufu said: In the last several years, our province has made great progress in agriculture and in agriculture-related science and technology. However, it is too bad that many achievements in this regard still cannot be put to use in production. I hope that all the society will be concerned about agriculture.

Other speakers at the meeting included Huang Changxi, vice chairman of the provincial people's congress standing committee; Ni Songmao, vice chairman of the provincial CPPCC committee; (Wang Xianzhen), adviser to the Fujian provincial committee of the China Democratic National Construction Association; (Liu Venhu), chairman of the Fujian provincial committee of the Zhi Gong Dang; (Chen Qixian), honorary chairman of the Fujian provincial committee of the Kuomintang Revolutionary Committee; (Yang Zengyi), chairman of the Fujian provincial committee of the Jiu San Society; and Guo Ruiren, vice chairman of the provincial people's congress standing committee.

Lu Haoran, vice chairman of the provincial CPPCC committee, attended the meeting.

Governor Wang Zhaoguo spoke last at the meeting. He thanked all democratic parties and personages of various circles in Fujian for giving their support to the work of the provincial CPC committee and the provincial government. He said that at present all democratic parties, personages of various circles, and the people throughout the province should closely rally around the Party Central Committee, firmly follow the party, and resolutely take the socialist road.

He said that the basis for stabilizing the political situation is a stable economy. At present, we should inspire the people's confidence in the province, unite as one, and enhance vigor to bring about a steady and coordinated economic development.

Governor Wang Zhaoguo said: It is necessary to carry out further the reform, open wider to the outside world, and maintain the situation of reform and openness in Fujian. At the same time, we should improve the work style of government organizations, ensure a clean government, display democracy, conduct investigation and

study, constantly enhance the government's prestige among the people, and lead the people in working hard together for Fujian's development.

Fujian Military District Studies Guidelines

OW1412103989 Fuzhou Fujian Provincial Service
in Mandarin 1100 GMT 9 Dec 89

[By station correspondents Zheng Maosen and Zhang Ke; from the "News" program]

[Text] The party committee of the Fujian Provincial Military District held an enlarged plenum from 3 through 8 December. The purposes of the meeting were to relay and implement the guidelines of the 5th Plenary Session of the 13th CPC Central Committee, of the enlarged session of the Military Commission, and of the enlarged plenum of the party committee of the Nanjing Military Region, and to work out arrangements for the main tasks of next year on the basis of this year's performance.

Comrades present at the meeting said: The 5th Plenary Session of the 13th CPC Central Committee and the enlarged session of the Military Commission were concentrating on studying solutions to China's present economic problems, readjusting members of the Central Military Commission, and arranging the work of the Army for this year. The major policy decisions made at these sessions merit our keen attention.

In the course of discussion, the participants pointed out: The Military Commission's enlarged session decided that the Army should further implement in its work Comrade Deng Xiaoping's theory and important policy decision on Army construction in the new historical era, as well as the series of policies, principles, and tasks laid at the Military Commission's enlarged session last year, because they completely conform to the objective demands of the development of international and domestic situations. His theory and policy decision are of great significance in guiding the continuity of the principles and policies on Army construction, maintaining a high degree of stability and unity in the Army, and promoting construction and reform in the Army.

They pledged to resolutely implement the principles and guidelines the Military Commission put forth for the work in various fields next year, conscientiously fulfilling their duties, and trying their best to carry out the missions entrusted by the Military Commission and the Nanjing Military Region party committee.

Secretary Addresses Shandong Plenum

SK2012050389 Jinan Shandong Provincial Service
in Mandarin 2300 GMT 7 Dec 89

[Text] Jiang Chunyun, secretary of the provincial party committee, spoke at the end of the third enlarged plenary session of the fifth Shandong Provincial CPC Committee on 4 December, stressing that leading comrades at

various levels should take the lead in carrying forward the glorious tradition of plain living and hard struggle and truly lead a few years of frugal life.

Jiang Chunyun said: Leading cadres at various levels should carry forward the glorious tradition of plain living and hard struggle and set an example in leading a few years of frugal life. This is a task of top priority in the new situation. All our cadres with party membership, in particular leading cadres at various levels, should have high political awareness and earnestly start with themselves, start from now on, and start with every specific job they do. In maintaining plain living and hard struggle and leading a few years of frugal life, there is a great amount of work we can do, and the potential is great. Therefore, we should achieve good results.

In his speech, Jiang Chunyun spoke on the issues in 10 fields.

First, we should streamline organs, cut down their members, and resolutely dissolve and merge some overlapping and non-essential organs. Of course, the work to streamline organs and reduce personnel should be done in a planned, well-guided, steady, and meticulous manner.

Second, in the next 2 years, administrative units and institutions should recruit no or few personnel. All localities and departments should have a firm determination in this work. In the next 2 years, administrative units and institutions should not recruit new workers or cadres from the public. If new personnel are truly needed, they should recruit them from the existing personnel of other administrative units and institutions.

Third, we should improve the management methods for free medical service in order to stem loopholes and reduce expenses. Achieving a success in this work, the province will have no problem in saving tens of millions of yuan.

Fourth, we should simplify meetings to save funds. We have called for efforts in this work for many years, but little results have been achieved, and expenses for meetings continue to increase every year. From now on, we should be determined to simplify meetings by reducing their number, shortening the time for meetings, cutting down the number of attendees, and spend money for meetings strictly according to standards. In general, one multipurpose meeting is enough for a department for a year. Ad hoc meetings should also be greatly simplified. Meetings should not be convened whenever documents can solve problems.

Fifth, we should simplify documents to save funds. Excessive and wantonly issued documents, brief reports, and materials on information, situations, and trends of departments have caused a great waste. We should be determined to straighten them out.

Sixth, we should rectify associations, societies, newspapers, and periodicals of various types. At present, there is

a great number of associations, societies, newspapers, and periodicals, and some of them are of poor quality, suffer serious deficits, and rely on financial subsidies. It is very necessary to improve and straighten them out and greatly reduce their number. Associations and societies that should be retained should rely on their membership dues to sustain their necessary expenses. They should no longer seek subsidies or collect money from enterprises, overtly or covertly. Central stipulations should be followed in improving and straightening out newspapers and periodicals. We should abolish as many as possible those that may be abolished, and we should improve the quality and management of those that should be retained so that they will be capable of holding the responsibility for their own profits and losses.

Seventh, in modernizing office work, we should proceed from reality, [words indistinct], and seek realistic results instead of rushing headlong into mass action, and engage in formalism.

Eighth, we should resolutely check the trend of arbitrary issuance of subsidies and bonuses, in cash or in kind. The state has already formulated regulations for issuance of bonuses and subsidies. However, some units go their own way and concoct various pretexts to ask for funds and subsidies from the state on the one hand, and to arbitrarily issue bonuses, in cash or in kind, on the other hand. We should improve systems and exercise strict management to correct this problem. Issuance of subsidies or bonuses in excess of the amount fixed by the state should be dealt with as a discipline breach.

Ninth, we should resolutely check squandering, waste, and the practices of giving parties and gifts with public funds. Previously, we had done some work to forbid the use of public funds in giving parties and gifts, and we have achieved notable results. However, this problem has yet to be solved once and for all. We should make unremitting efforts to resolutely check the unhealthy trend. This is an issue involving not only conservation of funds but also the efforts to punish corruption and maintain honest performance of duty. Therefore, we should take it seriously. Purchases of cars should also be brought under strict control.

Tenth, we should clean up and rectify small treasuries of various kinds. The State Council has issued a circular on cleaning up and examining small treasuries, and the province has also worked out plans. Through examination, we should subsume the income from various sources of institutions under financial management. In addition, resolute efforts should be made to check construction of office buildings, auditoriums, and hotels, and purchases of high-grade equipment and consumer goods. In short, there are great potentials and many ways for us to maintain plain living and hard struggle and to lead a frugal life.

In conclusion, Jiang Chunyun stressed: To truly carry forward the tradition of plain living and hard struggle,

and to make frugal life our actual deed, the most important thing is that leading persons of the provincial party committee and government should set an example. So should other provincial-level leading bodies, departments directly under the province, and leading organs of various cities and prefectures. One actual deed is better than a batch of plans. I suggest that leading comrades of the province and various cities, prefectures, and counties present at this session take the lead, take action immediately, and be as good as their word.

Comrades present at the session showed their agreement with warm applause.

Central-South Region

Guangdong's Zhuhai Special Economic Zone Grows

OW2012214489 Beijing XINHUA in English
1542 GMT 20 Dec 89

[Text] Beijing, December 20 (XINHUA)—The climate for overseas investment has continued to improve in Zhuhai City, a special economic zone in south China's Guangdong Province, according to "CHINA LEGAL SYSTEM."

The Beijing-based newspaper reported that the city's foreign trade and economic commission has just set up an investment service center for overseas businessmen to help investors deal with procedures including business registration, land use application and customs clearance.

The city's government has put the perfection of investment regulations at the top of its agenda. In the past two years, five regulations for overseas investment have gone into effect, including one offering more preferential terms to overseas investors.

The government has also worked out measures to ensure the strict enforcement of regulations in order to safeguard the legal rights and interests of the foreign-funded enterprises.

As the investment environment is improving, said the newspaper, overseas investment in the city has increased by 30 percent annually in recent years. In the first 11 months of this year, contracts calling for investment of over 300 million U.S. dollars in foreign funds were signed.

Guangdong's Individual Businesses Decrease

HK2012115489 Hong Kong WEN WEI PO in Chinese
8 Dec 89 p 17

[Text] According to reports from Guangzhou, the number of individual industrial and commercial businesses in Guangdong is gradually decreasing. According to incomplete statistics this year, the number of individual industrial and commercial businesses in Guangdong decreased by 15,337 in September as compared with those in March. At present, there are 1.02 million

individual and private enterprises in Guangdong. Government departments estimated that there will be a decrease of about 20 to 30 percent by the end of this year.

Individual industrial and commercial businesses which have decreased most rapidly are those in: first, industry; second, cargo transportation in the field of communications and transportation; third, dry and fresh fruits and garment trades in the field of commerce; fourth, the catering trade; and fifth, repair trade. Cities whose individual businesses have decreased most are in the following order: Guangzhou, Shantou, Jiangmen, Foshan, Shaoguan, Qingyuan, Shanwei, and Zhaoqing. There are various reasons for the decrease, but heavy taxes, numerous charges, or misunderstanding of the work to strengthen state taxation are important reasons. For example, a junk dealer in the town of Jiangzhou of Enping County had a taxable business volume of 5,000 yuan per month before September 1989 and he paid 250 yuan in taxes. At present, his taxable volume of business has increased to 25,000 yuan per month. He has to pay 1,250 yuan. He said that this, together with other charges, was too much to bear and he could no longer continue his business. At present, it happens to be the time for individual businessmen to renew their business licenses. Many of them are hesitating to renew their licenses and they have adopted a wait-and-see attitude.

As reported by newspapers in Guangzhou, some people said that an excessive decrease in the number of individual and private enterprises will decrease the state's revenue from taxation, bring about a new crisis in employment, and cause some inconvenience to the people's life.

Guangdong Governor Addresses Rural Work Meeting

HK2012102489 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 17 Dec 89

[Text] The 4-day Guangdong Provincial Rural Work Meeting successfully concluded this afternoon. Ye Xuanping, governor of Guangdong Province attended the meeting and made an important speech at the meeting this afternoon.

Governor Ye Xuanping said that agriculture is the foundation of China's national economy, while grain is the foundation of agriculture. Practice over the past many years has borne out that agriculture is a strategic issue that has an important bearing on the overall development of China's national economy. Therefore, the leaders at all levels should practically attach great importance to the development of agriculture and should answer the call made by the Guangdong Provincial CPC Committee by implementing all the CPC rural policies in a down-to-earth manner and making concerted efforts in order to further push ahead with the development of Guangdong's agricultural production within the next 5 years.

Governor Ye Xuanping stressed that particular efforts must be made in the following aspects: 1) The CPC

committees and people's governments at all levels should set a good example in implementing the CPC rural policies; 2) the departments concerned should adopt various measures and employ various propaganda means to popularize the CPC rural policies in breadth and depth among the broad masses of the peasants with a view to setting the minds of the broad masses of the peasants at ease; 3) the people's governments at city and county levels in Guangdong Province must carry out inspections to examine the situation concerning the implementation of the CPC rural policies and must make resolute efforts to ban actions that violate the CPC rural policies; and 4) it is necessary to practically strengthen the building of the CPC organizations at the grass-roots level in the rural areas.

Guo Kongchang, deputy secretary of the Guangdong Provincial CPC Committee, also delivered a speech entitled "Perfect the Double-level Management System, Further Deepen the Rural Reform" at the meeting today.

Guangzhou Military Rally Learns From Lei Feng

HK1812132689 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 12 Dec 89

[Text] This morning, the organs of Guangzhou Military Region ceremoniously held a mobilization rally on learning from Lei Feng's example, whipping up an upsurge in learning from Comrade Lei Feng.

At the mobilization rally, on behalf of the Military Region Party Committee, Major General Gu Shanqing, deputy political commissar, put forward demands for learning from Comrade Lei Feng to the leading cadres and leadership organs at all levels.

After emphasizing the importance of the leading cadres and leadership organs taking the lead in learning from Lei Feng, he said: The comrades must find the difference between them and Lei Feng's spirit, step up the transformation of their world outlook, and take the lead in becoming politically qualified revolutionary soldiers.

He pointed out: Not only the lower levels must learn from Lei Feng but the leadership organs must take the lead in learning from Lei Feng. While the leading cadres take the lead in learning from Lei Feng, they must pass four tests successfully, namely a political test and a test of power, honesty, and skills.

Henan CPC Opens Provincial Plenum

HK2012042789 Zhengzhou Henan Provincial Service in Mandarin 1030 GMT 16 Dec 89

[Excerpt] The 4th Henan Provincial CPC Committee began its 10th Enlarged Plenary Session in Zhengzhou this morning.

The main tasks of the 10th Enlarged Plenary Session of the 4th Henan Provincial CPC Committee are: To carry out in-depth study of and further implement the spirit of

the 5th Plenary Session of the 13th CPC Central Committee, heighten people's understanding, unify people's ideology, and discuss the proposals put forward by the Henan Provincial CPC Committee in connection with the implementation of the CPC Central Committee's decision on furthering the campaign aimed at improving the economic environment, rectifying the economic order, and deepening the reform in the light of the realities of Henan Province.

The 10th Enlarged Plenary Session of the 4th Henan Provincial CPC Committee was presided over by Comrade Yang Xizong, secretary of the Henan Provincial CPC Committee. Comrade Cheng Weigao, deputy secretary of the Henan Provincial CPC Committee and concurrently governor of Henan Province, made a speech at the 10th Enlarged Plenary Session of the 4th Henan Provincial CPC Committee. The speech made by Comrade Cheng Weigao included the following seven things to do: 1) Further heighten people's understanding of the campaign to improve the economic environment and rectify the economic order so as to unify the ideology of all the party members and cadres at all levels according to the spirit of the 5th Plenary Session of the 13th CPC Central Committee; 2) resolutely and practically carry out all tasks aimed at improving the economic environment and rectifying the economic order so as to promote the healthy development and steady progress of China's national economy; 3) correctly understand and handle the relationship between the campaign of improving the economic environment and rectifying the economic order on the one hand and the work of deepening the reform on the other so as to stabilize the policies and deepen the reform in the course of improving the economic environment and rectifying the economic order; 4) strengthen confidence, overcome difficulties, and maintain a sustained and steady industrial growth; 5) mobilize all the party members and people of the province to strengthen and develop agricultural production and make concerted efforts to push ahead with the development of provincial agricultural production; 6) develop the fine tradition of working hard and building up the country through thrift and hard work and live a simple life for a few years; 7) strengthen the CPC leadership, brace up, and improve work style so as to ensure the successful accomplishment of all the work aimed at improving the economic environment and rectifying the economic order. [passage omitted]

Southwest Region

Guizhou Ideological, Political Work Meeting Ends

HK1912064989 Guiyang Guizhou Provincial Service
in Mandarin 2300 GMT 12 Dec 89

[Text] A provincial conference on ideological and political work in enterprises concluded in Guiyang yesterday [12 December]. The conference practically and realistically summed up the ideological and political work of the

enterprises of our province over the past few years. It both affirmed the achievements and pointed out existing questions.

During the 4-day conference, the comrades present at the conference emphatically discussed the role of the party organizations in the enterprises as a political core. They agreed that the role of the party organizations as a political core has been determined by the socialist nature of our enterprises, the nature of our party, and the status of the ruling party. If the party organizations of the enterprises fail to do so, it is difficult to guarantee the implementation of the party line, principles, and policies at the grass roots and to guarantee the socialist orientation of the enterprises.

The conference proposed: In the current ideological and political work of the enterprises, while continuously and effectively adhering to the four cardinal principles, combating bourgeois liberalization, and consolidating and developing the situation of stability and unity, we must really do a good job in education in the economic situation and economic policy with improvement, rectification, and deepening reform as the key points and encourage the staff members and workers to strengthen their confidence, go all out, overcome difficulties, and contribute toward the improvement, rectification, deepening of reform and the stabilization of the economy, politics, and society.

During this conference, eight outstanding enterprises in ideological and political work, one outstanding meeting in the study of ideological and political work, and two outstanding individuals in an enterprise's ideological and political work successively reported on their experiences in and methods of stepping up and improving ideological and political work in recent years.

Guizhou Military District Holds Party Session

HK1312084189 Guiyang Guizhou Provincial Service
in Mandarin 2300 GMT 7 Dec

[Text] The Fourth Enlarged Plenary Session of the Eighth CPC Committee of Guizhou Military District was held in Guiyang yesterday. The session will conscientiously study the spirit of the 5th Plenary Session of the 13th CPC Central Committee, and the relevant documents, and sum up this year's work. It will also make arrangements for work next year.

At yesterday's meeting, Kang Huzhen, member of the Provincial CPC Committee Standing Committee, and secretary of the CPC Committee of the Provincial Military District, relayed the spirit of the 5th Plenary Session of the 13th CPC Central Committee, central work meeting, enlarged meeting of the Central Military Commission, and enlarged meeting of the Provincial CPC Committee. He called on both officers and men in the whole military district to conscientiously and effectively study those documents and profoundly comprehend their spirit in order to further unify their thinking,

strengthen their confidence, and increase their consciousness in implementing the spirit of these documents. Under the leadership of the CPC Central Committee and Central Military Commission, we must do the troops', People's Militia's, and the reserve force's work well in our military district.

(Zhang Jizhong), deputy political commissar of the Provincial Military District, (Deng Boyong), director of the Political Department under Provincial Military District, (Dong Jialu), director of Logistics Department under Provincial Military District, and (Huang Xian), secretary of the Discipline Inspection Commission under Provincial Military District, also respectively relayed the spirit of the speeches of Comrade Deng Xiaoping and other comrades of the Central Military Commission, and the spirit of the meeting of the Central Discipline Inspection Commission, and the Discipline Inspection Commission under the Central Military Commission.

Guizhou Secretary Views PLA Political Work

HK1612065489 Guiyang Guizhou Provincial Service in Mandarin 2300 GMT 14 Dec 89

[Excerpts] Yesterday morning, at the Fourth Enlarged Plenary Session of the Eighth CPC Committee of the Guizhou Provincial Military District, Liu Zhengwei, secretary of the Guizhou Provincial CPC Committee and concurrently first secretary of the CPC Committee of the Guizhou Provincial Military District, stressed that greater efforts must be made to strengthen the political building of the people's militia reserve service under the command of the Guizhou Provincial Military District. This must be done so as to enable the People's Militia Reserve service to maintain a firm and correct political orientation and remain politically qualified and competent forever.

In his speech entitled "Give Top Priority To Strengthening Ideological and Political Building and Comprehensively Fulfill All Tasks Given by the Higher Authorities," Liu Zhengwei fully affirmed the work done by the Guizhou Provincial Military District this year, relayed the spirit of the Enlarged Third Plenary Session of the Sixth Guizhou Provincial CPC Committee to all the participants at the meeting, and called on all the troops under the command of the Guizhou Provincial Military District to support the local areas in the campaign of improving the economic environment, rectifying the economic order, and deepening the reform. [passage omitted]

Comrade Liu Zhengwei also put forward the following three proposals aimed at strengthening the political building of the Guizhou Provincial Military District: 1) Next year, the political building of the Guizhou Provincial Military District should be aimed at enabling all the officers and soldiers to really keep ideologically and politically in line with the CPC Central Committee. To this end, redoubled efforts must be made to strengthen theoretical study and lay a solid ideological basis in this regard; 2) it is necessary to step up the building of the

CPC organizations at all levels and strengthen education among the officers and soldiers and among the CPC members; and 3) it is necessary to strengthen unity and foster a good work style. [passage omitted]

Sichuan Military District Stresses Political Work

HK1312051589 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 10 Dec 89

[Excerpts] The 7-day Enlarged Meeting of the Standing Committee of the CPC Committee of the Sichuan Provincial Military District concluded in the city of Chengdu yesterday.

The meeting called on all People's Liberation Army [PLA] troops under the Sichuan Provincial Military District to comprehensively implement the spirit of the 5th Plenary Session of the 13th CPC Central Committee and the spirit of the Enlarged Meeting of the Central Military Commission, give top priority to the work of strengthening PLA political building, and maintain a high degree of stability as well as centralized unity among the troops. [passage omitted]

The meeting was aimed at relaying, studying, and implementing the spirit of the 5th Plenary Session of the 13th CPC Central Committee and the spirit of the Enlarged Meeting of the Central Military Commission in the light of actual conditions. The meeting also summed up this year's work and planned next year's work. The meeting decided that the Sichuan Provincial Military District has achieved marked results in all aspects of its work in 1989. The CPC committees at all levels under the Sichuan Provincial Military District adopted a firm and clear-cut stand and kept closely in line with the CPC Central Committee in the recent struggle aimed at ending the turmoil and suppressing the counterrevolutionary rebellion. All the PLA troops and people's militia under the Sichuan Provincial Military District have thereby successfully withstood the test and played an important role in the recent struggle. [passage omitted]

The meeting said that next year, all the troops under the Sichuan Provincial Military District should make unremitting efforts to strengthen their political building so as to maintain a sound political quality, unify the ideology of the broad masses of the officers and men in the spirit of the 5th Plenary Session of the 13th CPC Central Committee and the spirit of the Enlarged Meeting of the Central Military Commission, make more contributions to the on-going campaign of improving the economic environment and rectifying the economic order, carry out in-depth education on adhering to the four cardinal principles and opposing the ideological trend of bourgeois liberalization, lay a solid foundation for the political building of the troops, and promote officers in accordance with their political performance with a view to ensuring that the guns are always in the hands of loyal and trustworthy men. [passage omitted]

Sichuan, Tibet Leaders Meet at Transport Meeting*HK1812103089 Chengdu Sichuan Provincial Service
in Mandarin 2300 GMT 14 Dec 89*

[Text] The enlarged meeting of the leading group for the building of a civilized Sichuan-Tibet transportation line through the joint efforts of soldiers and civilians ended yesterday [14 December] after 3 days. The meeting conscientiously summed up the experiences attained in the activity of building a civilized Sichuan-Tibet transportation line over the past 7 years and portrayed the future of the activity. Yang Rudai, secretary of the provincial CPC Committee and Political Commissar Wan Haifeng of the Chengdu Military Region made important speeches at the meeting.

Yang Rudai said: The activity of building a civilized Sichuan-Tibet transportation line through the joint efforts of soldiers and civilians plays an important role in promoting local economy and the building of two civilizations. The party committees and governments at all levels along the line must make unremitting efforts to promote this activity.

Political Commissar Wan Haifeng said: Great achievements have already been made in the building of Sichuan-Tibet civilized transportation line. All people along the line, both Hans and Tibetans, must make further efforts to build the Sichuan-Tibet line into an indestructible transportation line.

Comrades Yang Rudai and Wan Haifeng as well as other leading comrades Ai Weiren, Liu Haiquan, and Xu Chuan attended yesterday's meeting and met with other participants. Representatives from Chengdu and Yaan and Ganzi Prefectures of Sichuan and from Qabdo, Linzhi, and Lhasa of Tibet exchanged their experiences at the meeting.

Tibet CPC Committee Plenary Session Opens**Agenda Outlined***HK2112064089 Lhasa Tibet Regional Service
in Mandarin 1130 GMT 18 Dec 89*

[Text] The Eighth Enlarged Plenary Session of the Third Tibet Regional CPC Committee ceremoniously opened in Lhasa on the morning of 18 December. Attending this session were the members and alternate members of the regional party committee; the party-member responsible comrades from all prefectures, cities, and counties in the region; and party-member cadres at and above the regimental level from the Tibet Military District, totaling 567 people.

The main tasks of this session are to: Convey, study, and implement the spirit of the 5th Plenary Session of the 13th CPC Central Committee and the instruction by the Central Authorities on work in Tibet; unify thinking; inspire enthusiasm; uphold unification of our motherland; oppose splittism; strengthen nationality solidarity; unify the cadres' and the masses' understanding

throughout our region on the basis of the unswerving implementation of the spirit of the instruction by the central authorities and the regional party committee's principle for grasping two things simultaneously; and to make concerted efforts to promote the development of all causes in our region.

Seated on the rostrum at the opening session on the morning of 18 December were the leading comrades of the regional party committee, advisory commission, discipline inspection commission, and Tibet Military District, including Hu Jintao, Raidi, Basang, Mao Rubai, Gyanincain Norbu, (Ma Lifen), Jiang Hongquan, and Zhang Shaosong. Regional Party Committee Secretary Hu Jintao presided over the session.

At the session, regional party Committee Deputy Secretaries Raidi and Basang successively conveyed the spirit of the Central Authorities Work Conference and of the 5th Plenary Session of the 13th CPC Central Committee. Others attending the session were the leading comrades of the regional People's Congress, government, Chinese People's Political Consultative Conference Committee, and Military District, including Pudoje, Langjie, Wang Guangxi, Puquin, Gyamco, Tudao Doje, Gong Daxi, Zheng Ying, Jimzhong Gyaincain Puncog, Liu Yongkang, Qu Jinnan, Cedain Zhoima, and Gao Changjin; and the leading comrades of the regional People's Procuratorate and Higher People's Court.

Lhasa Radio Comments*HK2112023589 Lhasa Tibet Regional Service
in Mandarin 1130 GMT 19 Dec 89*

[Text] The 8th Enlarged Plenary Session of the 3d Tibet Regional CPC Committee is now being held in Lhasa City. This is a major event in the political life of the people of all nationalities in our Tibet Autonomous Region. The convocation of the 8th Enlarged Plenary Session of the 3d Tibet Regional CPC Committee is of both great realistic significance and far-reaching historical significance to our comprehensive implementation of the spirit of the 5th Plenary Session of the 13th CPC Central Committee. It is also important for the implementation of the spirit of various important policies formulated by the central authorities toward Tibet; to our ideological unification, our bracing up, our unity, and our safeguarding of the unification of our motherland; and to our better accomplishment of all types of work.

The guiding ideology of the current 8th Enlarged Plenary Session of the 3d Tibet Regional CPC Committee can be boiled down to the following points: 1) To conscientiously relay the spirit of the Work Conference of the central authorities, the spirit of the 5th Plenary Session of the 13th CPC Central Committee, and the spirit of various policies formulated by the central authorities toward Tibet; to conscientiously study all the relevant documents, acquire an in-depth understanding of all the relevant documents, and unify people's understanding according to the instructions issued by the central authorities; 2) to firmly adhere

to the principle of carrying out steady and sustained economic development; 3) to correctly sum up our experiences and lessons. While fully affirming our achievements, we should distinguish right from wrong, conscientiously sum up our past experiences and lessons, take the overall interests of our country into account, strengthen unity, and look forward to the future; and 4) to brace up and strengthen confidence.

To conscientiously relay and study the spirit of the 5th Plenary Session of the 13th CPC Central Committee and the spirit of the instructions of the central authorities will be of great significance in enhancing the understanding of the people and cadres of all nationalities in Tibet, unifying the ideology of the people and cadres of all nationalities in Tibet, safeguarding the unification of our motherland, strengthening our nationality solidarity, pushing ahead with our economic development, carrying on the struggle against splittism, and further stabilizing our regional situation.

To conscientiously study and acquire an in-depth understanding of the spirit of the documents of the central authorities at the 8th Enlarged Plenary Session of the 3d Tibet Regional CPC Committee will certainly help to further heighten people's understanding of the importance of carrying out economic development while consolidating and developing the political situation of stability and unity. This will also enable us to further sum up our past experiences and lessons in the light of the realities in Tibet, acquire a clearer understanding of the current situation, strengthen confidence, unity, and fighting will, attach equal importance both to stabilizing the regional situation and to developing the regional economy with a view to maintaining a sustained, steady, and coordinated development of the regional economy.

North Region

Beijing Holds Discipline Inspection Work Meeting

SK1912101589 Beijing BEIJING RIBAO in Chinese
28 Nov 89 p 1

[Text] The municipal discipline inspection commission convened a work conference on 27 November. The conference placed emphasis on strictly enforcing party discipline in the course of improving the economic environment, rectifying the economic order, and deepening reforms; and on supervising and examining party organizations and party-member leading cadres in implementing the policy decisions of the central authorities.

Meng Zhiyuan, member of the Standing Committee of the municipal party committee and secretary of the municipal discipline inspection commission, pointed out in his speech: Discipline inspection commissions at various levels should help party committees focus on attending to the central task of implementing the guidelines of the fifth plenary session and bring their functions into full play so as to serve the improvement of the economic environment, the rectification of the economic

order, and the deepening of reforms. In the course of improving the economic environment, rectifying the economic order, and deepening reforms, there exist contradictions between the interests of the part and those of the whole, between personal interests and the interests of the whole, and between short-term interests and long-term ones; and it will be easy for such phenomena to crop up, as some party organizations and party members seek the interests of the part and the personal interests in violation of party discipline, and some try every means possible to scheme against the country and to damage the interests of the whole. Thus, we should place special emphasis on strictly administering party affairs and strictly enforcing discipline so as to ensure the accomplishment of the task for improving the economic environment, rectifying the economic order, and deepening reforms. Discipline inspection commissions at various levels should conscientiously investigate and handle cases that violate orders and prohibitions and that disturb the economic order; and apply disciplinary actions against those who apply countermeasures against higher levels' policies, feign compliance, and resist the policy decisions of the central authorities and the municipal party committee.

Meng Zhiyuan said: Discipline inspection commissions at various levels should help party committees conduct the education on enhancing the sense of party discipline; educate party members and party-member cadres to conscientiously keep to the party's principle of democratic centralism, defend the overall situation, and safeguard the unity of the party. We should educate party members and party-member cadres to correctly handle the relationship between the part and the whole and the relationship between the interests of the state, the collectives, and the individuals; to vigorously advocate the good common practice of arduous struggle and wholehearted devotion to public duty; and to create a good environment and favorable conditions for improving the economic order, rectifying the economic order, and deepening reforms with fine party style and strict discipline.

Meng Zhiyuan said: Leading organs and leading cadres at various levels within the party should take the lead in carrying forward the fine work style of the party and strictly enforcing discipline. Discipline inspection commissions at various levels should realistically perform their duty of supervising and examining the work of leading organs and leading cadres in line with the requirements as set forth in the party constitution.

The conference made specific arrangements for the work of purging unqualified party members from the party, investigating and handling major and appalling cases and various kinds of undisciplined cases, further strengthening the improvement of party style and party discipline, and helping the ranks of discipline inspection cadres upgrade their understanding of theories and political and ideological work.

The conference relayed the guidelines of the fifth plenary session of the Central Discipline Inspection Commission

and Comrade Qiao Shi's important speech. Duan Yihai, executive deputy secretary of the municipal Discipline Inspection Commission, presided over the conference. Present at the conference were Jin Dezhen and Liu Zhenshan, deputy secretaries of the municipal Discipline Inspection Commission; and responsible persons of the discipline inspection commissions of the districts, counties, bureaus, general companies, and institutions of higher learning.

Beijing Insurance Covers Foreign Enterprises

*OW1612214089 Beijing XINHUA in English
1515 GMT 16 Dec 89*

[Text] Beijing, December 16 (XINHUA)—The Beijing Municipal Insurance Company collected 20.477 million U.S. dollars in premiums from foreign funded enterprises in the first 11 months this year, greater than the same period last year.

Jiang Lianqing, a company official, said that during the same period the company paid out a total of 5.586 million U.S. dollars in compensation to foreign-funded enterprises, 160,000 U.S. dollars less than the 1988 figure.

Jiang attributed the success to the development of new services, good service and efforts to reduce accident [words indistinct].

She said the insurance company offers more than 50 different types of coverage for foreign enterprises, including flight insurance and auto, building, installation and personal accident insurance; she said that the company had insured 3.6 billion U.S. dollars worth of property by the end of last year, 29 times that in 1980 when it restored services for foreign enterprises.

Jiang said efforts have been made to simplify business procedures and provide convenient service.

The company has more than 130 offices in the capital and employs more than 300 agents in over 100 countries and regions including Japan, the United States, Britain, Singapore, Morocco, the Soviet Union, Brazil and Canada.

In order to reduce clients' losses, Jiang said, the company supervises the loading and unloading of imported goods and helps clients improve packaging and transportation of exports.

The company also cooperates with fire departments to reduce fire hazards at insured property. As a result the company saved nearly one million U.S. dollars in compensation for fire damage in the first half of this year compared with the same period last year.

Beijing Official Denies Lower Living Standards

*OW2012055089 Beijing XINHUA in English
1237 GMT 19 Dec 89*

[Text] Beijing, December 19 (XINHUA)—The government's austerity program is not meant to lower the living standards of urban and rural residents and it will never affect the state's honoring of quota contracts.

Li Ximing, secretary of the Communist Party Beijing Municipal Committee, said this at the eighth session of the committee yesterday.

The austerity program, he said, means strict control over the construction of nonproduction buildings, curbing the purchasing power of social groups, and restricting consumption to a level within the consumer's real buying capability.

The incomes and consumption of people might increase at a lower rate compared with that of past years, but the general living standards will not drop, he said.

Li said future pay and bonus increases will be based on the expansion of production and on efficiency. Those who fulfill the contract quota will continue to get salaries and bonuses as usual. But those who fail because of poor management might find their incomes cut.

Li urged leading officials to set an example in living thrifty lives and he exhorted government institutions to cut office spending.

Those who feather their own nests at public expense and live in luxury through squandering state funds, he said, will be severely punished.

Hebei Eighth CPC Plenary Session Concludes

*SK2112022389 Shijiazhuang HEBEI RIBAO
in Chinese 2 Dec p 1*

[Text] The 4-day eighth enlarged plenary session of the third provincial party committee concluded amid the magnificent song of the Internationale on the afternoon of 1 December.

At the 1 December session, the participants unanimously approved the "resolution on several measures for the province to further improve the economic environment, rectify the economic order, and deepen reform" (hereafter called "resolution"). Xing Chongzhi, secretary of the provincial party committee, spoke on ways to relay and implement the guidelines of this session; and Yue Qifeng, deputy secretary of the provincial party committee and provincial governor, spoke on the current economic work.

Lu Chuanzan, deputy secretary of the provincial party committee, presided over the session on the afternoon of 1 December.

Attending were Li Wenshan, deputy secretary, and Zhang Chao, Ye Liansong, Qu Weizhen, Bai Shi, Liu

Ronghui, Chen Yujie, and Li Haifeng, Standing Committee members of the provincial party committee.

Participating comrades held conscientious discussions in groups on the "resolution (draft)" in the past few days. They agreed: To thoroughly implement the guidelines of the 5th Plenary Session of the 13th CPC Central Committee, it is necessary for the provincial party committee to make such a "resolution." The "resolution" will play an important role in unifying the thinking of the cadres and the public throughout the province. The resolution will also enable the cadres and public to more successfully carry out the endeavor of improvement, rectification, and deepening of reform, and to speed up the pace for the national economy of our province to enter the orbit of a long-term sustained, stable, and coordinated development. These comrades offered many good opinions and suggestions during their discussions. The Standing Committee of the provincial party committee studied them earnestly, gave heed to the opinions as much as possible, and modified the "resolution (draft)," which was finalized as the "resolution" approved at the session on 1 December.

During the session, Xing Chongzhi's speech entitled "Strengthen Leadership, Unify Thinking, and Go All Out To Fulfill the Tasks for the Endeavor of Improvement, Rectification, and Deepening of Reform," given on behalf of the Standing Committee of the provincial party committee, inspired the participating comrades. In a group discussion, they said: Xing Chongzhi's speech reflected the guidelines of the 5th Plenary Session of the 13th CPC Central Committee, complied with the actual conditions of Hebei, and realistically analyzed the economic situation of our province. It dwelt both on the difficulties and problems and on favorable conditions, and gave both theoretical expositions and specific methods for solving problems. In this way, it helps unify the people's thinking, enhance their confidence, arouse their spirit, and encourage their vigor. At the 1 December closing ceremony, Xing Chongzhi spoke on ways to relay and implement the guidelines of this session. He said: After returning from this session, we should conscientiously pay attention to the quality of the work to relay and implement the guidelines of this session, no matter what measures we adopt for it. We should regard the process of relay and implementation as a process of thoroughly implementing the guidelines of the fifth plenary session of the party Central Committee and of thoroughly conducting the education on the economic situation. Through the work, we should truly solve some ideological problems so that everyone will be aroused, have enhanced confidence, give better play to his subjective initiative, and face up to difficulties rather than be intimidated by difficulties. We should put more efforts into implementation and achieve actual results in it. Measures for the implementation should be specific, practical, and capable of solving the existing problems. The general demand is that we should give close attention to the work of relay and implementation, refrain from procrastination, make the guidelines of the 5th

Plenary Session of the 13th CPC Central Committee known to the masses of party members, cadres, and the public as soon as possible, and unify their thinking and action in line with the guidelines.

In the situation in which the endeavor of improvement, rectification, and deepening of reform is being carried out, leading people at various levels should firmly embrace the basic guiding thought, which is to truly achieve success in the campaign for increasing production, to practice economy, to increase revenues and reduce expenditures, and to be determined to lead a few years of austere life. This is also the only correct choice if we are to overcome difficulties, better balance the relations among various sectors, and bring the economy to the orbit of a sustained, stable, and coordinated development. We should turn the campaign and austere life into our voluntary action and stop building offices, auditoriums, and hotels, furnishing offices, purchasing high-grade stationery, touring with public funds, and engaging in lavish wining and dining with public funds. We should save all nonessential spending. We should carry out the campaign more extensively and more thoroughly, concretize the measures of lowering production cost, reducing consumption, improving quality, and reducing the amount of funds tied up in overstocked goods, and conscientiously carry them out.

Xing Chongzhi said: With regard to whether earnest efforts are exerted, basically speaking, the key lies in the thinking and work styles of leading people. What we should particularly stress at present is the need to go deep into the reality of life, maintain close ties with the masses, and overcome the method of giving only vague, general directions. It is also the work style and work method of the mass line of what Comrade Mao Zedong said from the masses and to the masses. It is what we relied on to overcome difficulties again and again over the past several decades, and also what we should uphold to tide over the current economic difficulties. We should pay attention to reporting and summarizing the situation and experiences in following the mass line in the new situation.

In his speech, Yue Qifeng gave opinions on the several fields of work that the province should successfully carry out at present: 1) Issues on industrial production. We should adopt all possible means to alleviate the current strained fund supplies. We should immediately organize and allocate some funds to support production; be determined to clean up "triangular debts;" and do a good job in tapping the internal potential of enterprises, clean up misappropriation of funds, and dispose of overstocked goods. We should exert great efforts to organize sales. As this winter and the coming winter are a busy sales season, we should seize this favorable opportunity to organize sales of industrial goods in rural areas. We should conscientiously carry out current production and, particularly, preparations for next year's production. From now on, administrative leaders at various levels, from the province down to prefecture, city, county, and

enterprise, should devote their major energy to production, marketing, and adjustment of product mix. 2) Issues on agricultural production and purchases of farm and sideline products. As far as agricultural production is concerned, based on the current situation, we should meticulously organize water conservation capital construction; successfully carry out wheat field management during winter; conscientiously clean up rural finance; and do a good job in disaster relief work. As far as purchases of farm and sideline products are concerned the general situation in this year's purchases of grain and cotton is good. The major problem is that the speed is rather slow. All localities should adopt measures immediately and accelerate the pace in purchases and garnering. With regard to this issue, we should stress the need to strengthen centralism and unification and the sense of respect for organization and discipline; we should truly take the overall situation into account and enhance confidence in fulfilling tasks. 3) Issues of revenues and expenditures and market supplies. At present, to do a better job in increasing revenues and reducing expenditures, we should first pay attention to tax collection and management and collect in full amount the taxes that should be collected. In addition, we should conscientiously embrace the idea of austerity, guard against year-end arbitrary issuance of bonuses, in cash and in kind, spending sprees, and using public funds to spend the New Year. Faced with supplies of commodities for the two festivals of New Year and Spring Festival, markets should do a good job in coordination to ensure the supplies of the major commodities closely linked with the people's life.

Hebei Discipline Inspection Commission Meets

SK2112011689 Shijiazhuang HEBEI RIBAO
in Chinese 3 Dec 89 p 1

[Excerpts] The eighth enlarged plenary session of the second provincial Discipline Inspection Commission was held in the city of Shijiazhuang this morning.

The main purpose of holding this session was to relay and implement the guidelines of the 5th Plenary Session of the 13th party Central Committee, the 5th plenary session of the Central Discipline Inspection Commission, and the 8th enlarged plenary session of the 3 provincial party committee, exchange experiences in investigating and handling cases and in strengthening party style and party discipline, sum up the discipline inspection work since the beginning of this year, and make arrangements for future discipline inspection work.

Lu Chuanzan, deputy secretary of the provincial party committee, attended this morning's meeting. Bai Shi, member of the Standing Committee of the provincial party committee, and secretary of the provincial Discipline Inspection Commission, relayed the guidelines of the fifth plenary session of the Central Discipline Inspection Commission and delivered a work report at the meeting.

In his report, Bai Shi reviewed and summed up the discipline inspection work done since the beginning of this year, and put the following demands on future work: First, it is necessary to conscientiously study and implement the guidelines of the 5th Plenary Session of the 13th party Central Committee and guarantee the smooth progress of the campaign of improvement, rectification, and deepening reform. [passage omitted] Second, it is necessary to resolutely investigate cadres and safeguard the solemnity of party's political discipline. Third, it is necessary to persist in running the party strictly and conscientiously handle discipline violation cases involving party members. At present, we should pay special attention to grasping the key points and concentrate efforts on investigating and handling major and appalling cases. Fourth, the whole party should participate in building party style. [passage omitted]

This morning's meeting was presided over by Li Congyin, deputy secretary of the provincial Discipline Inspection Commission. Members of the provincial Discipline Inspection Commission, also attended the meeting. Secretaries and deputy secretaries of various prefectural and city Discipline Inspection Commissions, chiefs (secretaries) of the discipline inspection groups (discipline inspection commissions) which the provincial Discipline Inspection Commission has dispatched to various departments and bureaus under the direct jurisdiction of the provincial government, and responsible persons of the discipline inspection commissions of the Huabei Petroleum Administrative Bureau and of the Shijiazhuang railway subbureau.

Inner Mongolia Secretary Attends Nonparty Forum

SK2112004789 Hohhot Inner Mongolia Regional
Service in Mandarin 1130 GMT 18 Dec 89

[Text] On 18 December, the autonomous regional party committee invited personages of democratic parties and nonparty personages to a forum to solicit their opinions on the work report of the fourth regional party committee.

Wang Qun, secretary of the regional party committee, chaired the forum. Zhang Dinghua, Qian Fenyong, and Liu Yunshan were present at the forum.

At the forum, responsible persons of democratic parties and nonparty personages, including Liu Zhenyi, Li Shuyuan, Wang Chongren, Liu Jishi, Lin Gan, Li Xixian, (Fu Yongren), (Feng Min), and Sun Yingnian, expressed their opinions in succession.

They maintained: The work report of the 4th regional party committee was made in line with the guidelines of the 13th party congress and the 4th and 5th Plenary Sessions of the 13th CPC Central Committee. In line with the principle of seeking truth from facts, the report sums up the previous work and sets forth the region's tasks for developing spiritual and material civilizations in the foreseeable future, strengthening party building, and further promoting the work of improving the economic environment, rectifying the economic order, and

deepening reforms. The report not only affirms the achievements made over the past 5 years but also points out the existing problems and possible future difficulties. This is of great significance in further mobilizing the people of various nationalities across the region and inspiring their enthusiasm to realize the region's three short-term fighting goals.

In their speeches, they maintained: The work report was revised again and again in line with the opinions of democratic parties and nonparty personages. All this embodies the principle that the CPC, democratic parties, and nonparty personages coexist on a long-term basis, supervise and show utter devotion to each other, and share weal and woe with each other.

They also put forward specific opinions on the issues, as set forth in the report, concerning strengthening the development of agriculture, straightening out the economic order, punishing the corrupt, improving party building, strengthening the supervision over democratic parties, and giving priority to the development of educational undertakings.

Zhang Dinghua, deputy secretary of the regional party committee, also introduced to the participants the region's work of examining the personnel to be elected for the next regional party committee at the next party congress.

Inner Mongolia Holds Party Plenary Session

SK2012073989 Hohhot Inner Mongolia Regional Service in Mandarin 1130 GMT 17 Dec 89

[Excerpts] The ninth plenary session of the fourth autonomous regional party committee concluded this afternoon after a 3-day session. The session decided to hold the fifth Inner Mongolia Autonomous Regional CPC Congress in Hohhot on 21 December. The ninth plenary session of the fourth autonomous regional party committee was the last plenary session held by the current autonomous regional party committee. The session studied and discussed the various preparatory work for the fifth autonomous regional party congress. During the session, all the members conscientiously discussed and revised the report of the fourth committee to be submitted to the fifth party congress; heard a report given by Zhang Dinghua on the evaluation of people to be chosen at the party congress for the next committee, and the proposed namelists of the candidates for members and alternate members of the fifth autonomous regional party committee, members of the autonomous regional Advisory Commission and members of the autonomous regional Discipline Inspection Commission; and discussed these proposed namelists. [passage omitted]

Wang Qun spoke before the conclusion of the session. He said: Under the correct leadership of the party Central Committee and with the concern and support of veteran comrades, all the members of the fourth autonomous regional party committee have united with and led all party members and people of various nationalities

to fulfill by and large the various fighting tasks set forth at the fourth party congress, and to successfully accomplish the historical missions entrusted this committee after 5 years of hard work. The past 5 years was a period linking the past with the future, in which our region implemented the line, principles, and policies laid down since the 3d plenary session of the 11th party Central Committee and was another period in the history of the autonomous region in which it witnessed the fastest development, and its people gained the greatest practical benefits. It may be said that the people of various nationalities throughout the region are satisfied with the work of the fourth committee, that the work itself is capable of withstanding the test of history, that our leadership collective is united and combat effective, and that all the members have made historical contributions to the unity and construction of Inner Mongolia.

In conclusion, Wang Qun urged the participants to continue to implement the line, principles, and policies laid down since the 3d Plenary Session of the 11th CPC Central Committee, and the basic line laid down at the 13th party congress, conscientiously carry out the guidelines of the 4th and 5th Plenary Sessions of the 13th CPC Central Committee, continue to hold high the banners of unity, construction, reform, and opening up, give play to the leading and exemplary role of Communist Party members, and exert concerted efforts to continuously promote the modernization drive of the autonomous region.

Tianjin's Tan Attends CPPCC Meeting

SK1912083589 Tianjin TIANJIN RIBAO
in Chinese 19 Nov 89 p 1

[Text] The 11th enlarged Standing Committee meeting of the 8th Municipal committee of the Chinese People's Political Consultative Conference [CPPCC] was held yesterday. The participants discussed the candidates for mayor of Tianjin Municipality and attended the 3d session of the 11th municipal People's Congress as observers.

The meeting was presided over by He Guomo, vice chairman of the municipal CPPCC committee.

Tan Shaowen, secretary of the municipal party committee and chairman of the municipal CPPCC committee, attended and addressed the meeting. He said: We have held the 3d plenary session of the 11th municipal People's Congress and the 11th enlarged Standing Committee meeting of the 8th municipal CPPCC committee at a time when we deeply study, relay, and implement the guidelines of the 5th Plenary session of the 11th party Central Committee. The central topic at these two meetings is a discussion of candidates for municipal mayor. The final election for municipal mayor will be held at the municipal People's Congress. Successfully holding this meeting is of great importance in stabilizing Tianjin's situation and carrying forward the cause pioneered by our predecessors, and in forging ahead into the future. After saying that, Tan Shaowen reported on the process

of discussions of candidates for mayor and briefly introduced the candidates. He said: The nomination of candidates for mayor was carried out after repeatedly listening to opinions and conducting discussions until a consensus of views was reached. I believe that through this meeting and the common efforts of all comrades at the meeting, Tianjin Municipality's reform, opening up, the campaign of improvement and rectification, and all other undertakings will be successfully carried out and the excellent situation of stability and unity will be further consolidated and developed.

Huang Yusheng, Chen Ruyu, and Yang Hui, vice chairmen of the municipal CPPCC committee, and Guo Jinhou, secretary general of the municipal CPPCC committee, attended the meeting.

Northeast Region

Heilongjiang Holds Newspaper Editors Forum

SK2112005589 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 19 Dec 89

[Text] The provincial forum of chief editors of city and prefectural newspapers, which ended in Daqing on 18 December, concentratively discussed and studied how newspapers should adhere to the basic journalist principle of serving socialism and the people; should better act as the eyes, ears, and mouthpiece of the people; and should successfully spread propaganda for improving the economic environment, rectifying the economic order, deepening reform, stabilizing the overall situation, and enhancing the morale of the masses. The forum also made appropriate arrangements for the propaganda work of newspapers.

Gao Taifu, deputy director of the Propaganda Department of the provincial party committee, presided over the forum. At the forum, the important speeches made by Jiang Zemin, general secretary of the CPC Central Committee; and Li Ruihuan, Standing Committee member of the Political Bureau of the CPC Central Committee; were relayed at the national journalist work discussion class with the participation of chief editors of provincial, municipal, and autonomous regional party newspapers. Then, the forum's participants conscientiously discussed how to implement these speeches. Participants also studied the guidelines of the sixth plenary session of the fourth provincial party committee, and exchanged various newspapers' plans for propaganda work in the next year.

Qi Guiyuan, Standing Committee member of the provincial party committee and director of the Propaganda Department, attended the forum and made a speech. When summarizing the situation of party newspapers in various prefectures and cities, he said: The provincial party committee has considered the current situation of the provincial journalist work good. During the outbreak of the storm at the turn of spring and summer this year, the direction of our newspapers was correct basically

without any serious problem. The on-going liquidation and inspection among journalist units at the present are primarily aimed at enhancing their understanding of the turmoil and rebellion, and strengthening the building of journalist ranks in ideology and theory.

Regarding the press reform, Comrade Qi Guiyuan said: We should constantly carry out the press reform on the basis of liquidation and consolidation. We must actually move the feet of journalist propaganda over to the side of the masses, use the masses' typical cases to spread propaganda among the masses and enhance their morale, and truly implement the principle of letting the entire party run newspapers. This is a fine tradition of ours.

Referring to the propaganda work in the future, Qi Guiyuan said: We should conscientiously implement the idea of first stabilization and second encouragement. Those cases which are conducive to stabilizing the overall situation and strengthening unity should be reported; and those which are not conducive should not be reported. By encouragement we mean using positive cases to spread propaganda. We should apply propaganda of positive cases to strengthen the unity among the people, and let the people clearly understand the current economic situation, be more confident and resolute to overcome difficulties, and attend to building the country with one heart and one mind.

Article Considers Liaoning Energy Deficit

SK2012003989 Shenyang DONGBEI JINGJI BAO in Chinese No 411 25 Nov 89 p 1

[Article in "Analysis of Current Problem" column: "A New Idea To Cure the 'Energy Restriction Symptom' of Northeast China"]

[Text] Shortages of coal and electricity, suspension of enterprise production, and a decline in economic benefits have become the major obstacles to the industrial development of northeast China. This can be seen from the data provided by relevant departments of Liaoning Province: At present, Liaoning lacks as much as 8 billion kilowatt-hours of electricity every year, preventing more than 20 percent of its production capacity from being developed, and causing the province to have 30 billion yuan less output value than it should.

How can such an "energy restriction symptom" be cured? According to relevant economic departments and some experts and scholars, in order to resolve the shortages of energy resources for industrial production of Liaoning and even the whole of northeast China, a new idea is to adopt special energy policies, adjust energy structure at an opportune moment, and change the practice of "using coal alone as the major energy resource" into a rational use of coal, oil, and gas resources.

Large-Scale Reversed Transportation of Oil and Coal Creates Distortion in the Structure

Liaoning is located in the Northeast China Economic Zone and, therefore, its problem of industrial production being conditioned by coal and electricity supplies should be analyzed from the viewpoint of the entire economic zone. According to the information provided by the research institute under the Liaoning Provincial Planning and Economic Commission, at present, northeast China lacks 30 million tons of coal and 15 billion kilowatt-hours of electricity every year, and its electricity shortage rate is 18 percent. However, northeast China's shortages of energy resources are due to the "outstripping of production over consumption." For example, in 1987, northeast China's total output of nonrenewable energy resources, such as coal, crude oil, natural gas, and water-generated electricity, was equivalent to 210 million tons of standard coal, accounting for 23.1 percent of the national output of 910 million tons. In the same period, the total energy resources consumption of northeast China was 150 million tons of standard coal. The output was 40 percent more than the consumption. From this we can see that northeast China is an area capable of net export of energy resources. That is, it exports petroleum equivalent of nearly 70 million tons of standard coal to other provinces of the country and to foreign countries. In return for the export of one-third of the total nonrenewable energy resources produced by this area, a large amount of coal is imported from the areas inside Shanhaiguan every year. In 1985, 24.64 million tons of standard coal were imported into this area, and by the year 2000, the amount will rise to 80 million tons of standard coal.

Export of large amounts of crude oil and the importation of large amounts of raw coal have distorted the structure of the production and consumption of the energy resources of northeast China. Such an energy consumption pattern characterized by such large-scale reversed transportation of oil and coal has many problems, in terms of short-term results and long-term development. 1) Solving the electricity problem by burning coal has no good prospects. In northeast China, the thermal power generating capacity amounts to 35 percent of the total power generating capacity, and 89 percent of the thermal power generating capacity relies on burning coal. Shortages of electricity in northeast China are, in essence, shortages of coal. This problem is all the more conspicuous in Liaoning. In 1988, the province imported 33,273,300 tons of coal from outside the province (including the 856,200 tons from foreign countries). Due to a lack of coal, Liaoning and Jinzhou Power Plants alone produced 250 million kilowatt-hours less electricity than they should have in the first quarter of this year. In view of the ever more serious shortages of coal, the great gap between production and demand, and the under-capacity operation of the existing generating units due to a lack of coal in northeast China, the electricity problem, evidently, cannot be solved if we continue to "use coal alone as the major energy resource." 2) Railways will have difficulty in transporting it all. Northeast

China's shortage of coal is so great that it goes beyond its transportation capacity. Even when construction of the three Shen-Shan lines, and the Jining-Tongliao line, and the renovation of Sha-Tong line are completed in the future, they can transport only 50 million tons of coal. Besides, repair and construction of railways require great amounts of time, construction work and investment, and yield little returns within this century. 3) Development of the coal resources in eastern Inner Mongolia is a project too slow in coming to be of any help. Judging from the long-term viewpoint, development of the coal resources in eastern Inner Mongolia is an important strategic measure to ease the energy shortages of northeast China. However, it requires the support of coal, electricity, and transportation projects, and will not truly yield returns until the Ninth 5-Year Plan period or even after the year 2000. 4) Coal supply from inside Shanhaiguan is not stable. Judging from the actual coal delivery rate based on the contracted amount, coal delivered from Shanxi to northeast China for electricity generation reached only 84.9 percent in the first half of this year. This plus the shortage in planned supply will make the total amount of coal shortage reach about 6.5 million tons this year, and electricity generation, thus, will be reduced by 12.2 billion kilowatt-hours. The delivery rate of coal from Shanxi to Liaoning is only 60 percent. Therefore, it is very risky for us to place our hope for resolving coal shortages of northeast China on import of coal from Shanxi.

We Should Properly Reduce Petroleum Exports, and Develop Petroleum-Generated Electricity Accordingly in Northeast China

To ease the strained energy supply of Liaoning and even all of northeast China within a short period of time, some experts and scholars of the economic departments of Liaoning called for implementation of special policies in line with the actual conditions in the energy supplies of northeast China. That is, export of petroleum should be properly reduced, and petroleum-generated electricity be developed in northeast China. The call is based on the following: First, distorted structure of production and consumption of the energy resources in northeast China is particularly manifested in the export in large amount of petroleum, especially fuel oil, from northeast China to other places of the country. Approximately 60 to 70 percent of the total amount of petroleum produced in northeast China every year is exported, and the export of fuel oil is particularly conspicuous. Take Liaoning for example: From 1980 to 1988, the export of fuel oil to other places of the country increased an average of 10.12 percent every year, increasing from 663,000 tons to 1.433 million tons. The export of fuel oil to other countries increased an average of 20 percent every year from 1980 to 1987. It declined a little bit last year, but the average increase in the past 8 years still remained at 14 percent. The export of fuel oil to other places of the country and to foreign countries has greatly affected thermal power generation. From 1980 to 1988, the fuel used in thermal power generation in Liaoning declined by 56 percent every year. In line with the state policy to

reduce oil consumption, 2 tons of coal are supplied in return for 1 ton of oil saved. However, the state also stipulates that this portion of coal will be supplied to oil conservation enterprises from the total amount of coal distributed under the unified state plan. Therefore, in fact, the state only takes the conserved oil without increasing correspondingly the total amount of the coal supply.

Second, the policy of continuously exporting a great amount of petroleum is not rational. Export of petroleum in great amounts started in the seventies in our country, and reached its peak in the middle of the eighties. The two petroleum crises in the world facilitated the development rate of the world petroleum industry, and led to repeated declines of the price in the world petroleum market, causing serious losses in the interests from petroleum export. In view of the great changes in the world market, properly adjusting policies has become a very necessary and realistic issue.

Third, development of oil-generated electricity in northeast China will kill two birds with one stone. Properly reducing the export of petroleum does not mean to go back to the old road in the seventies when oil was extensively burned directly as fuel by enterprises. We mean to develop thermal power generation with heavy oil and crude oil as fuel. Development of oil-generated electricity will not only reduce fuel costs, but will also reduce factory building costs, shorten factory building period, and ease the pressure on railway transportation. In addition, reducing oil export and increasing the proportion of oil-generated electricity will not only resolve the coal shortages of northeast China, but also help develop the products that can earn a large amount of foreign exchange. For instance, production of 1 ton of metallic magnesium consumes the amount of electricity equivalent to about 4 tons of oil, and earns \$3,500 to \$4,000 in foreign exchange; but export of 4 tons of crude oil earns only \$408. Compared with the latter, the former earns as much as 10 times greater foreign exchange. To northeast China which is rich in magnesite resources, the prospects are very great.

We Should Implement Special Energy Policies To Ease Electricity Shortages of Northeast China

Focusing on the issue of properly adjusting the energy structure and implementing special energy policies in northeast China, pertinent experts and comrades from economic departments of Liaoning Province put forward four suggestions:

First, export of petroleum from northeast China should be reduced by a large margin. We may consider reducing it by approximately 7.5 to 8 million tons. The reduced amount of petroleum should be used mainly to increase the allocation within the country, to increase the supply to the petrochemical enterprises in northeast China for developing the chemicals that can earn a great amount of foreign exchange, and to retain for northeast China to use as fuel in order to develop oil-generated electricity.

In addition, export of northeast China's fuel oil should be stopped in principle, and enterprises entitled to retain certain amounts of foreign exchange should be allowed to import fuel oil for power plants to generate electricity for their use. If the aforementioned measures are put into practice, oil used to generate electricity may be increased by 3 to 4 million tons every year, and 10 to 15 billion kilowatt-hours more electricity may be produced every year. In this way, northeast China's current shortage of electricity may by and large be filled.

Second, northeast China should stop implementing the policy to reduce oil consumption. The policy to reduce oil consumption and burn coal, as a policy for a given period, should not be regarded as a long-term policy, especially for northeast China which is rich in oil resources and poor in coal resources. Stopping the policy to reduce oil consumption may commence in three areas. Oil used in electricity generation, oil used to increase and stabilize the supply of fuel, and oil used in technological process should not be reduced.

Third, natural gas resources should be developed and utilized. Northeast China abounds in natural gas reserves. It has associated gas, gas from gas pools, and coal-formed gas. Developing and utilizing natural gas is one way to ease the strained energy supply of northeast China. We should adjust the price parities between natural gas and other energy resources as soon as possible to spark the enthusiasm of relevant departments for producing and developing natural gas.

Fourth, we should focus on key areas when developing coal-generated electricity, and make good preparations for building nuclear power stations. While speeding up the development of the coal fields in eastern Inner Mongolia and the construction of the coal mines in Heilongjiang, we should turn the Jinzhou and Jinxi areas of Liaoning into a base area for generating power with the coal delivered from Shanxi. This area is one in northeast China nearest to the Datong-Qinhuadao coal transportation railway. Judging from a long-term viewpoint, the basic way to solve the energy problem of Liaoning and even that of northeast China is to develop nuclear power stations. This work should be actively carried out in a planned and well-organized manner.

Northwest Region

Gansu Sends Cadres to Rural Areas for Improvement

*HK1912124089 Lanzhou Gansu Provincial Service
in Mandarin 1030 GMT 15 Dec 89*

[Text] This morning the provincial party committee and government held a mobilization meeting for cadres of organs directly under the provincial authorities who are to be sent to rural areas to carry out an educational campaign on the situation and to help improve grass-roots organizations.

In order to fully implement the spirit of the 5th Plenary Session of the 13th CPC Central Committee, launch an extensive campaign of education in the situation, earnestly strengthen grass-roots organizations in rural areas, improve ideological and political work there, give full play to the initiative of the vast number of peasants, do a better job in the economic improvement and rectification operation and the in-depth reform, mend the pace in the efforts to get rid of poverty, and strive for a bumper harvest next year, the provincial party committee and government have decided to select from provincial, prefectural, and county party and government organs some 10,000 cadres who are of good political quality, have experience in rural work, and can work independently, and send them to rural areas this winter and next spring to help people.

(Yao Wenchang), director of the propaganda department of the provincial party committee, presided over this morning's meeting. Yan Haiwang, deputy secretary of the provincial party committee, delivered a speech to encourage the cadres during the meeting.

Yan Haiwang said: Sending cadres of provincial, prefectural, and county organs to help rural grass-roots organs is an effective means for our leading organs at all levels to keep in touch with the masses, to improve their work style, and to maintain closer ties between the party and the government on the one hand and the people on the other. It offers our cadres a good opportunity to temper themselves and to improve their working ability. We must have a thorough understanding of the great significance of this measure.

Yan Haiwang said: In sending cadres to the grass-roots level this time, we have three targets: 1) To organize the masses to conscientiously study Comrade Jiang Zemin's National Day speech and the spirit of the 5th Plenary Session of the 13th CPC Central Committee, to implement the guidelines laid by the 3d enlarged plenary session of the 7th provincial party committee and the provincial work meeting, and to launch a drive of education in the political and economic situation centering around patriotism, socialism, and collectivism, in the spirit of hard work, and in the actual situation in the province and the country. 2) To consolidate and strengthen village party branches, villagers' committees, and rural organizations of political power, with the focus placed on the development of grass-roots party organizations in rural areas; to help county and township party and government organizations in the economic improvement and rectification operation and in the election of county and township cadres; to consolidate party branches and villagers' committees in underdeveloped villages; and to properly organize the winter training for party members and the rotational training for cadres. 3) To assist grass-roots organizations in running winter water conservation projects and in making preparations for spring farming, thus paving the way for a bumper harvest next year.

Vice Governor Lu Ming also addressed the meeting, airing his opinions on some specific questions concerning rural work.

Present at the mobilization meeting were a total of more than 400 people, including responsible people of all the organs directly under the provincial authorities and the cadres who are to be sent to work in rural areas.

Gansu Supervisory Workers Obstructed in Duties

HK1512062789 Lanzhou Gansu Provincial Service in Mandarin 1030 GMT 13 Dec 89

[Text] Of late, the phenomenon of some people openly obstructing the fulfillment of official duties by working personnel of supervisory departments has frequently occurred in some units and departments in our province. To stop this unhealthy trend immediately in order to ensure that cadres in charge of supervisory work can fully carry out their official duties in accordance with the law, the Provincial Supervisory Bureau has issued a circular recently, urging various authorities to severely punish those involved in cases of obstructing the carrying out of official duties by supervisory workers. These cases must be firmly treated and investigated.

The circular points out: Investigating and handling the cases of state administrative organs and their working personnel who are guilty of violating law and discipline is an important function and power exercised by supervisory departments in accordance with the law. In the course of investigating and handling relevant cases, those who obstruct supervisory workers from exercising their functions and powers in accordance with the law; or refuse to answer questions raised by supervisory departments at fixed times and assigned places or to produce evidence and relevant documents and materials; or hide facts; or produce false evidence; or shield conduct which violates law and discipline; or refuse to implement decisions of the supervisory departments; or refuse to follow proposals on supervisory work without just cause must be held administratively accountable. In particular, those who are involved in cases of retaliating against cadres in charge of supervisory work must be severely punished. We must never be indulgent toward these cases.

Shaanxi's Zhang Inspects Anti-Poverty Efforts

HK1812133489 Xian Shaanxi Provincial Service in Mandarin 0030 GMT 12 Dec 89

[Excerpts] From 7 to 9 December, Zhang Boxing, provincial party committee secretary, inspected the work of helping the poor in (Shangzhou) City. He visited some 400 peasant households and some support-the-poor enterprises. He listened to the reports made by the cadres of some prefectures, counties, and villages and put forward his suggestions on helping the poor in the future. He also took part in farmland capital construction in (Gaoqiao) Village, Yecun Town. [passage omitted]

(Shangzhou City) Flour Mill is a support-the-poor enterprise that was set up by utilizing a low-interest support-the-poor loan and funds raised by some people, and 100 young workers of the mill come from poor families [words indistinct]. Workers of the flour mill said: The household per capita income has increased from 87 yuan in the past to 551 yuan.

In the course of investigation, Zhang Boxing fully affirmed the achievements and experience of (Shangzhou) City in helping the poor. Furthermore, he encouraged them to continuously make efforts to make more poor households gradually eliminate poverty.

Zhang Boxing demanded: Party committees and governments at all levels must fully understand the importance of helping the poor. [passage omitted] He pointed out: The work of helping the poor must change from the form of providing relief to the form of development. We cannot rely on relief every year. We cannot spend money on [words indistinct] but must develop the promising projects and rely on science and technology to help the poor. It is necessary to continuously send science and technology personnel to rural areas. Scientific research units at all levels of the province, prefectures, and counties must keep ties with the rural areas and help them select practical technology and work out scientific plans.

Zhang Boxing also stressed: The work of helping the poor must be based on thousands upon thousands of households. It is essential to study and popularize the successful experiences of South Gansu and Dabie Shan.

Xinjiang Secretary Inspects Meteorological Bureau

HK1812020389 Urumqi Xinjiang Regional Service in Mandarin 1230 GMT 15 Dec 89

[Excerpts] Yesterday afternoon, regional leaders, including Wang Enmao, Song Hanliang, Tomur Dawamat, Li Shoushan, and so on, inspected the Xinjiang Regional Meteorological Bureau. In the last few years, the Xinjiang Regional Meteorological Bureau has made great contributions to the development of the national economy, especially the development of the regional agricultural production and animal husbandry, widened its service scope, and strengthened its service capability. [passage omitted]

The regional leaders expressed satisfaction with the work done by the Xinjiang Regional Meteorological Bureau, met with the staff and workers of the Xinjiang Regional Meteorological Bureau and listened to their work reports, and visited some work departments of the Xinjiang Regional Meteorological Bureau. [passage omitted]

The regional leaders urged the staff and workers of the Xinjiang Regional Meteorological Bureau to further improve their work, play an advisory role to the party and government leaders at all levels, increase the social benefit and economic results of their work, invite and develop new technologies, train more qualified personnel, especially the qualified personnel of ethnic minorities, and further modernize the regional meteorological undertaking.

Xinjiang Reports Increased Industrial Output

HK1512040389 Urumqi Xinjiang Regional Service in Mandarin 1230 GMT 13 Dec 89

[Text] In November this year, industrial production in our region increased steadily. Production output value of the whole region was 1.14 billion yuan, an increase of 135 million yuan [words indistinct]. This increase was 13.5 percent higher than for the same period last year and considerably higher than the level of increase for the whole country. From January to November this year, the increase in quarterly industrial production output value of our region was also higher than the average level of increase for the whole country.

Starting from October, the increase in light industrial production was higher than that in heavy industry. In November, the increase in light industrial production was as high as 19.3 percent. According to statistics, by the end of November, of the 80 kinds of industrial products the statistics cover, 27 kinds had already fulfilled or overfulfilled the annual production quotas. These products included daily necessities, energy, raw and processed materials, and goods and materials for supporting agriculture.

By the end of November, 101 percent of the budgetary financial revenue of the whole region had already been fulfilled, meaning that the quota was overfulfilled by 1 month.

Bilateral Coordinating Committee Meets

OW1812073889 Beijing XINHUA Domestic Service
in Chinese 1703 GMT 16 Dec 89

[By reporter Duanmu Laidi (4551 2606 0171 1229)]

[Text] Hong Kong, 16 Dec (XINHUA)—A committee for coordinating economic and trade affairs on the two sides of the Taiwan Strait and a committee for coordinating commercial affairs on the two sides of the strait held their first committee meeting in Hong Kong today, and the two sides signed an "agreement."

Now the mainland and Taiwan have each set up a commercial affairs coordinating committee in Hong Kong. That set up by Taiwan is called "The Committee for Coordinating Commercial Affairs on the Two Sides of the Strait," consisting of 35 members, and having Zhang Pingzhao [1728 1627 3113] [Chang Ping-chao] as its chairman. The committee set up by the mainland is called "The Committee for Coordinating Economic and Trade Affairs on the Two Sides of the Strait," composing 25 members, with Zheng Hongye [6774 7703 2814] as its chairman. Members of the two committees are personages from industrial and commercial circles, experts, or scholars.

At today's meeting, the two sides discussed and signed a "agreement," which stipulates: In the spirit of equality, mutual benefit, friendly consultation, and promotion of two-way exchanges, the two sides will mediate, or arbitrate, cases of economic and technical exchanges and trade contacts between the two sides of the Strait (including import and export trade, exhibitions, advertising, and so forth) as well as cases of investment, intellectual property, attesting of private and official documents, holding consultations, and cooperating in business law, and providing advice and services. They will assist companies in handling and settling disputes in the above matters. They will study and perform the work of arbitration. They will assist companies in protecting their legitimate rights and interests on both sides of the strait. They will assist personages of industrial and commercial circles in visiting, learning from, and understanding one another. They will carry out activities in economic and trade cooperation and in the research and development of intellectual property in order to promote nongovernmental economic and trade exchange and development.

The "agreement" stipulates in explicit terms: The two committees will hold a joint annual meeting to discuss relevant questions, and will hold temporary meetings if necessary; the two sides will often exchange relevant information and materials, effectively provide advice and services, and do everything possible to promote and make arrangements for the exchange of visits by personnel from the two sides of the Strait. After reaching agreement, the two sides may discuss and prepare for the establishment of a joint organization when necessary, in order to effectively promote economic and trade exchanges between the two sides of the strait.

In his speech at the meeting, Zheng Hongye, chairman of the mainland committee, said: The two sides have held an important meeting of historical significance today, gained a common understanding of the work of coordinating economic and trade affairs between the sides of the strait, and reached an agreement. He thanked those present for their concerted efforts to bring about this event long awaited by economic and trade circles on both sides of the strait. He believed that this event would go down in history.

In his speech, Zheng Hongye briefed those present on the current situation on the mainland and put forward a proposal on the future work of the coordinating committees. He said: The volume of entrepot trade between the two sides of the strait will be more than U.S.\$3 billion this year, and Taiwan compatriots have invested in over 500 projects on the mainland. This is a gratifying phenomenon. However, indirect trade is not beneficial to either sides. We propose that the two coordinating committees do some promoting work in this regard. First, there are legal questions; second, there are questions regarding the mediation and arbitration of business disputes; third, there are questions regarding industrial and commercial advice and services; and fourth, there are questions regarding the protection of trade marks and patents. He believed that some laws on the mainland encourage Taiwan companies to do business and invest in the mainland. He hoped that the Taiwan side would permit and encourage mainland companies to do business in Taiwan.

In his speech, Zhang Pingzhao, chairman of the Taiwan coordinating committee, also expressed his belief: There will be more and more trade contacts between the two sides of the strait, and the volume of trade will increase at a faster pace. So the future tasks will be increasingly arduous. It is hoped that the two coordinating committees will work together to surmount difficulties and to promote the development of economic and trade relations between the two side sides of the strait.

The first meeting of the two committees for coordinating economic, trade, and commercial affairs between the two sides of the strait mainly discussed how the two committee would coordinate and cooperate with each other. The meeting was to last 2 days.

Further on Meeting

OW1812014289 Beijing XINHUA Domestic Service
in Chinese 1541 GMT 17 Dec 89

[By reporter Duanmu Laidi (4551 2606 0171 1229)]

[Text] Hong Kong, 17 Dec (XINHUA)—The first meeting of the Economic and Trade Coordinating Committee and the Committee for Commercial Coordination between the two sides of the strait ended in Hong Kong today after 2 days in session. Both committees expressed the hope of promoting economic and trade exchanges to facilitate the goal of two-way economic and trade exchanges and direct trade between the two sides.

In his address, Zheng Hongye, president of the mainland's Economic and Trade Coordinating Committee, said: Although quite a few obstacles remain on the road to economic and trade exchanges between the two sides, by working steadily, gratifying achievements will surely be made in a few years. He said: Trade between the two sides is still in the indirect stage, which is not conducive to the development of the economy and trade of both sides. Therefore, we should encourage two-way and direct trade. We hope that, through the coordinating committee, a nongovernment organization, the Taiwan authorities will lift the ban on direct trade and promote two-way exchanges between industrialists and businessmen from the two sides of the strait.

In his speech, Zhang Pingzhao [Chang Ping-chao], president of Taiwan's Committee for Commercial Coordination, said: As the saying goes, "a good beginning is halfway to success." Although the road was extremely difficult and full of twists and turns, we have already taken the first step toward success. The work from now

on will be even more difficult and important. He said: We should endeavor to carry out more beneficial and forward-looking work to promote two-way communication and exchange between the industrial and commercial circles on the two sides of the strait. It is hoped that there will be a sustained increase in trade between the two sides to facilitate a satisfactory solution to two-way economic and trade problems.

At the meeting today, members from the two sides held group discussions and had initial communications on the questions of arbitration, mediation, brands, patents, legal services, and industrial and commercial consultation.

After the meeting, the Economic and Trade Coordinating Committee and the Committee for Commercial Coordination gave a press conference, during which the committees answered questions from mainland, Taiwan, and Hong Kong reporters.

Li Teng-hui Urges KMT Reform Efforts

OW1712060489 Taipei International Service
in English 0200 GMT 14 Dec 89

[From the "News" program]

[Text] Li Teng-hui, chairman of the ruling Kuomintang [KMT] and president of the Republic of China [ROC], stated on Wednesday that the KMT party reform task force headed by KMT Secretary General Soong Chu-yu needs to work as quickly as possible to institute reform within the party.

Li said that the reform should work to further democratize the party.

Li said that the task force for party reform is established in accordance with a proposal passed by the KMT Central Committee.

After the 2 December elections, the Central Committee met to discuss the results of the voting and also called for a speedy modernization and democratization of party affairs.

Lawmakers Support New Term for President Li

OW1612134389 Taipei CNA in English 0254 GMT
16 Dec 89

[Text] Taipei, Dec. 16 (CNA)—One hundred twenty-three legislators of the ruling Kuomintang (KMT) Friday urged President Li Teng-hui, concurrently party chairman, to run for another term as chief of state of the Republic of China.

The directors of the Chinese Federation of Labor, an umbrella organization for the nation's trade unions, also passed a resolution Friday calling on the president to run for reelection.

The voices of support came more than three months before March 20 when the National Assembly is to elect new president and vice president.

President Li assumed office on Jan. 13 1988 after the late President Chiang Ching-kuo died of illness. During the past two years, Li has won himself high popularity by continuing the program of democratic reforms initiated by Chiang.

Li, the first native president and also the holder of a doctorate in agricultural economics from Cornell University, the United States, has not yet declared his intention to run for another term but is widely expected to do so.

If he decides to compete in the presidential election, he is almost certain to be elected because the KMT holds an absolute majority in the National Assembly, the presidential electoral college.

The 123 KMT Legislative Yuan members, nearly half of the National Legislature where the party also holds a comfortable majority, expressed their support for Li in a resolution.

Among those who sponsored the resolution were the Yuan's President Liu Kuo-tsai, Vice President Liang Su-yung and other KMT leaders.

Democracy Federation To Open Taipei Office

HK2112020389 Hong Kong HONGKONG STANDARD
in English 21 Dec 89 p 8

[By Fan Cheuk-wan]

[Text] The Paris-based Federation for a Democratic China (FDC), is to set up a liaison office in Taipei early next month.

FDC leaders have given assurances the new office will not be manipulated by the ruling Kuomintang [KMT].

The founding ceremony for the Taiwan office will be attended by FDC leaders—including Secretary-General Mr Wan Runnan and Mr Su Xiaokang, both fugitive intellectuals wanted by the Beijing authorities.

Mr Huang Wei-cheng, official in charge of the Taiwan office told the HONGKONG STANDARD yesterday that the branch would be officially opened during the visit by Mr Wan and Mr Su.

They are expected in Taipei next week for an international symposium on the pro-democracy movement.

The chairman of the New York-based Chinese Alliance for Democracy, Mr Hu Ping and FDC leaders, Mr Liu Binyan and Mr Lao Mu, will also attend the founding ceremony.

"The task of our liaison office will be to line up all these democratic forces in Taiwan which are supportive of the goal of the FDC," he said.

Mr Huang said the Taiwan liaison office would be free of KMT control.

"Up until now, the FDC has not spent a single cent given by the KMT.

"Even if the KMT wants to donate money to our Taiwan liaison office in future, we will only accept it if it is unconditional."

The office would be open to supporters of the mainland pro-democracy movement regardless of their membership of other political parties, he said.

It would be funded from donations, with backing from Paris.

Mr Huang said the future role in the FDC liaison office of Mr Zhang Gang—the highest ranking Chinese official to flee the mainland—was still uncertain.

Mr Zhang, former deputy director of the foreign liaison office of the Research Institute of Economic Structural Reform under the State Council and an adviser to ousted party chief Mr Zhao Ziyang, is still in the custody of police in Taiwan.

"Zhang has not made up his mind about whether he will live in Taiwan or go abroad," Mr Huang said.

Commentary Views Expanding Relations With ASEAN

*OW1812034089 Taipei International Service in English
0200 GMT 17 Dec 89*

[Station commentary: "Taiwan Expands Economic Relations With ASEAN"]

[Text] In the wake of Communist China's social turmoil and subsequent economic downturn, many countries in Asia, including Australia and the ASEAN nations, are directing their sights more and more to the Republic of China [ROC] on Taiwan. Many have already expanded trade links with Taiwan in the past year, to compensate for loss of activity in the Mainland Chinese market.

Australia and the Southeast Asian countries that comprise ASEAN, most notable Malaysia and Thailand, have moved to improve relations with Taiwan after prospects faded for trade with Mainland China. The problems came in the wake of the 4 June Tiananmen massacre, and the ensuing and ongoing crackdown on the prodemocracy movement in Mainland China.

In 1988 and early 1989, Taiwan emerged as one of the leading investors in ASEAN. Large amounts of investment capital flowed out of Taiwan and into these countries, as Taiwan manufacturers sought cheaper sites for production. Increased labor costs and the higher value of the Taiwan dollar have driven up costs on Taiwan, and labor-intensive manufacturers out.

Trade between the ROC on Taiwan and Australia has reached more than US\$ 3 billion this year, a third more than Australia trades with Mainland China.

As part of the trend toward better economic ties with Taiwan, Australia and ASEAN countries have made concessions to Taipei on political matters. In the seventies, most of these nations recognized Peking and cut official relations with Taipei. Without proper legal protection, and the subsequent fear of appropriation of property by Peking, Taiwan businessmen have shied away from doing business with those countries.

Recently, however, Australia approved a package of measures designed to protect Taiwan businessmen from such seizures by Mainland China. This is sure to boost trade even further between Taipei and Canberra.

The Philippines, an ASEAN member, has been studying a similar set of proposals that would create a legal structure for economic relations with Taiwan. The Philippine Senate will likely pass the bill in early 1990.

The moves by ASEAN nations to improve economic ties, and therefore political ties, with the ROC on Taiwan conform with the realities in the region. On the one hand, Communist China has petered out as a site of investment and a trade partner. Recent studies by economic institutions in the West list Mainland China as the worst economic risk in Asia.

On the other hand, Taiwan's overflow of capital has been another form of enticement to Asian governments to give up on Mainland China and put most of their eggs in the Taiwan basket.

Still, Asian governments are paranoid about provoking Peking over Taiwan. When moving to establish better links with Taiwan, they are careful to note that "official recognition" of the Republic of China on Taiwan is not in the cards.

Taipei can live with that so long as its Asian trade counterparts offer the proper protection for investments from the island. That is a small price to pay for the economic opportunities Taiwan has to offer.

Hong Kong

Jiang Zemin, Li Ruihuan Meet Reporters

View West Policy, East Europe

OW2112143089 Beijing Domestic Service in Mandarin
1030 GMT 21 Dec 89

[From the "National Hookup" program]

[Text] Jiang Zemin, general secretary of the CPC Central Committee, and Li Ruihuan, member of the Standing Committee of the CPC Central Committee, met with a delegation from Hong Kong's press circles led by (Yang Qi), president of Hong Kong's TA KUNG PAO, at Zhongnanhai this afternoon. The delegation is composed of the responsible persons of Hong Kong's WEN WEI PO, WAH KIU YAT PO, SING TAO JIH PAO, MING PAO, ECONOMIC DAILY, CHING PO DAILY, and SING PAO DAILY NEWS.

General Secretary Jiang Zemin expressed welcome to them on their visit to Beijing. He said: Comrade Li Ruihuan and I are not holding a press conference today. We are here to have a sincere heart-to-heart talk.

General Secretary Jiang Zemin first gave his views on questions raised by friends from Hong Kong's press circles. Jiang Zemin said: International hostile forces played the role of adding fuel to the flames with regard to the disturbances of June (liu yue feng bo). After the disturbances of June, the call for sanctions against China caused a temporary clamor internationally. Now several months later, more and more people have gradually come to understand the truth about the disturbances, and our domestic situation has become more and more stable. Some Western countries have also begun to show signs of flexibility in their relations with China.

Speaking of the situation in Eastern Europe, Jiang Zemin said: As a socialist country, China cannot but express concern over the development of the situation in Eastern Europe. Truthfully speaking, we hope that Eastern European countries can uphold the socialist orientation. However, in the final analysis, which road a country shall take must be decided by the people of that country. China will never interfere in other countries' internal affairs. As for China, China is much different from Eastern European countries in terms of the political party, army, history, and cultural tradition.

After reviewing the history of struggle waged by the Chinese as a nation, Jiang Zemin pointed out: Whatever changes taking place internationally, China's reform and open policy will not change. China will forever advance along the socialist road.

Speaking of democracy and freedom, Jiang Zemin said: Democracy and freedom are always relative. One cannot do whatever one wants to do nor can one do things the way one wants to.

On freedom of the press, he pointed out: No country in the world allows absolute freedom of the press. In a socialist country, journalists must inspire, not dishearten, the whole nation through their reports. Critical reporting is allowed. However, criticism should be done in a positive way and should be followed by measures for resolving the problems. It must not make everyone crestfallen.

Comrades Jiang Zemin and Li Ruihuan also answered other questions raised by friends from Hong Kong's press circles.

Jiang Discusses Reform

OW2112153189 Beijing XINHUA in English
1441 GMT 21 Dec 89

[Text] Beijing, December 21 (XINHUA)—China will continue its policy of developing friendly cooperative relations with foreign countries, including capitalist countries, on the basis of the Five Principles of Peaceful Co-existence, Chinese Communist Party (CPC) leader Jiang Zemin said here today.

"We have no intention of exporting revolution, but will not allow anyone to turn back our course," he said.

Jiang, general secretary of the CPC Central Committee, made the remarks in a meeting with a delegation of Hong Kong journalists led by Yang Qi, publisher of the Hong Kong daily "TA KUNG PAO." Li Ruihuan, a member of the Standing Committee of the Political Bureau of the CPC Central Committee, was also present.

Jiang briefed the guests on the mainland's political and economic situation and touched on China's foreign relations and views on some international issues.

Speaking of Sino-U.S. ties, Jiang said the two countries should seek common ground while reserving differences. As long as both sides do so sincerely, there are broad prospects for cooperation, he said.

He reiterated that after 1997, China's mainland and Hong Kong will practise the "one country, two systems policy." "You can exercise your capitalism while I practise my socialism, so that I'll mind my own business, you mind yours," he said.

The CPC leader noted that political stability and solidarity on the mainland have been increasingly strengthened and the campaigns to rectify the economic order and improve the economic environment have been fruitful.

The agricultural yield is fine this year, Jiang continued, and the rate of industrial development has been reasonably limited.

No matter how the international situation changes, China will pursue the policy of reform and opening to the outside world, he said, adding that China must march on the socialist road.

Li Ruihuan explained to the guests the mutual relationship between political structural reform and economic reform.

Yesterday evening, Ji Pengfei, director of the State Council's Hong Kong and Macao Affairs Office, hosted a dinner for the Hong Kong guests.

The Hong Kong delegation consists of leading members of eight Hong Kong newspapers.

UK To Grant Citizenship to 225,000 Residents

XINHUA Report

OW2012201389 Beijing XINHUA in English
1902 GMT 20 Dec 89

[Text] London, December 20 (XINHUA)—British Foreign Secretary Douglas Hurd said today that up to 225,000 Hong Kong residents will be offered full British citizenship allowing them the right to settle in Britain.

Speaking at the House of Commons, Hurd said new passports would be given to 55,000 heads of households in Hong Kong, including key businessmen and professionals, and their families.

About 3.25 million of Hong Kong's 5.7 million people hold British passports, which give them no right to live in Britain.

Hurd alleged that the government's scheme is designed to stem emigration from Hong Kong in order to keep its prosperity.

He said selections of those being granted full British citizenship would be made on a points system and would embrace people from all walks of life.

Gerald Kaufman, shadow foreign minister of the opposition Labor Party, condemned Hurd's package as "unworkable, invidious and divisive," saying a future labor government would not feel bound to continue it.

The scheme also met objections from some backbenchers of the ruling conservative party in the House of Commons, who said no more than 40,000 people from Hong Kong would be allowed to live in Britain.

To implement the scheme, legislation is needed, which government sources said would be put before the Parliament some time next year.

A former chairman of the ruling conservative party, Norman Tebbit, said he would oppose any legislation which would allow large-scale immigration. "I disagreed with almost everything you said," he told Hurd.

WEN WEI PO Editorial

HK2112133589 Hong Kong WEN WEI PO in Chinese
21 Dec 89 p 2

[Editorial: "It Will Be Difficult for the Scheme To Grant British Passports To Increase Confidence"]

[Text] British Foreign Secretary Hurd last night announced a scheme to grant Hong Kong people full British passports. Under the scheme, British passports will be offered to 50,000 households of Hong Kong public servants, professional personnel, businessmen, and people having connections with Britain, or 4 percent of Hong Kong residents.

As this number is quite limited, it will surely not help to reestablish confidence and stability as Britain has declared, but will only split the Hong Kong people, increase their mutual suspicion, and bring about a confidence crisis.

British officials say that when Hong Kong people are granted the right of abode, they will feel at ease and will be able to keep their minds on Hong Kong's construction. On the other hand, from good motives, some Hong Kong people, who do not have sufficient political experience, also believe that the problem of confidence can be solved by striving for the right of abode. Now the scheme offering British passports to a small number of Hong Kong people has been announced, and Hong Kong people can also consider the issue carefully and calmly and weigh the advantages and disadvantages.

There are safety devices and lifeboats on all ships. If the ship can carry 1,000 passengers, it usually has 1,000 life jackets or enough lifeboats for the passengers. When the ship is in danger, the passengers will leave before the crew, and the captain and other administrative personnel will be the last to leave. However, if the passengers do not have life jackets and lifeboats, and the captain, the administrative personnel, and the crew will leave the ship immediately it is in danger, and if such safety regulations are established that the captain, the administrative personnel, and the crew can get away and bid farewell to the passengers whenever they feel they are in a dangerous situation, giving no consideration to the position of the ship and the safety of the passengers, does this mean increasing the confidence of the passengers or seriously weakening their confidence?

Statistics show that Hong Kong has 5.6 million people. Among them there are 220,000 public servants and 500,000 professionals and businessmen. The great majority will be unable to obtain the British passports. Only a small number can get the passports after careful selection. This can only bring about greater social problems.

Mrs Thatcher said in the British Parliament: "Granting Hong Kong people the right of abode is necessary in order to maintain effective British administration in Hong Kong." The foreign secretary said that "this scheme is favorable for retaining Britain's last colony."

This reflects the essence of the whole matter. Britain is proceeding from its own interests when pondering questions. It is considering how it will withdraw and how to realize its arrangements before the withdrawal. The scheme, which will split up the Hong Kong people, making some of them always follow the interests of Britain, does not take into consideration the long-term interests of Hong Kong and the interests of the 5 million people who cannot leave Hong Kong after its return to China. When there are two kinds of people in society, who have two different futures and different interests, the Hong Kong people will not be able to work with one heart and one mind to overcome the difficulties in the transition period and after Hong Kong is returned to China. It will be difficult for them to develop a spirit of living in harmony and a spirit of mutual confidence and to make concerted efforts to contribute to Hong Kong's prosperity and stability.

In particular, due to the two entirely different treatments, the ranks of public servants may be divided into two opposing extremes and their morale may be affected. It is not hard to imagine how all this will affect Britain's effective administration in Hong Kong.

The right of abode may possibly help to persuade some people to stay in Hong Kong for a short period. However, as the passports will be issued stage by stage and group by group, based on a points system, those who want to go may not have the confidence to wait year after year. They may also apply to other countries for immigration. The trend of emigration will not become weaker. Therefore, the problem of confidence cannot be really solved by granting the right of abode.

In order to solve the problem of confidence, it is necessary that the Hong Kong people reestablish their self-confidence and that the Sino-British Joint Declaration and the policy of "one country, two systems" are effectively carried out in all fields. More than 95 percent of Hong Kong people will stay in Hong Kong. They will surely make contributions to our great time and regard Hong Kong as their home and do their utmost to make it more prosperous.

XINHUA Refuses Comment

HK2112135889 Hong Kong WEN WEI PO
in Chinese 21 Dec 89 p 1

[Report: "XINHUA Spokesman Refuses To Comment on Right-of-Abode Scheme"]

[Text] When interviewed by reporters this morning, a spokesman of the XINHUA Hong Kong branch said that the announcement by Britain on granting British passports to Hong Kong people is a matter for the British Government and the Hong Kong authorities. He would not comment on that.

CHINA DAILY Article Views Joint Declaration

HK2112021089 Beijing CHINA DAILY in English
19 Dec 89 p 4

["Excerpts" of article by Guo Gang to be published in BEIJING REVIEW subtitled: "A message to Hong Kong Compatriots on the Occasion of the Signing of the Sino-British Joint Declaration on the Question of Hong Kong"]

[Text] Five years ago, the governments of the People's Republic of China and Britain officially signed in Beijing the Joint Declaration on the Question of Hong Kong, thus affirming China's resumption of the exercise of sovereignty over Hong Kong on July 1, 1997. This historic event was a major success of New China's diplomacy and a significant step towards the reunification of China.

The Chinese Government's basic policy on Hong Kong, stipulated in the joint declaration, was based on the scientific formula of "one country, two systems."

The core of the "one country, two systems" concept is the reunification of the country. Everything else will be out of the question without the reunification of China and its resumption of the exercise of sovereignty over Hong Kong. The "one country, two systems" policy clearly states that the future Hong Kong Special Administrative Region will be a regional administrative division of the People's Republic of China and will be under the direct jurisdiction of the Central People's Government. The relationship between the Central People's Government and the Hong Kong Special Administrative Region is the same as that between a central government and a local government. The Hong Kong Special Administrative Region can enjoy a high degree of autonomy, but this autonomy, granted by the central government, is to be executed under the state sovereignty of the unified People's Republic of China. It does not mean that Hong Kong is an independent or semi-independent political entity. Therefore, to implement the "one country, two systems" policy, the state's sovereignty must be maintained first, the Chinese nation's unity must be safeguarded and any attempt to block China's resumption of the exercise of sovereignty over Hong Kong must be opposed.

Some people propose that Hong Kong be "separated" and "insulated" from the mainland. Some even suggest that a "burglar-proof lock" be mounted between Hong Kong and the mainland and that the key be kept by the Hong Kong people. This view is in total defiance of the integrity of China's sovereignty. It is not advanced in support of the high autonomy under the "one country, two systems" concept for Hong Kong but rather in favour of the establishment of "two countries, two systems" in a bid to turn Hong Kong into an independent political entity that will be eternally separated from China. It is wellknown that Hong Kong did not, and will not, have any conditions for independence from the mainland.

As for the division of powers between the central government and the Hong Kong Special Administrative Region under the "one country, two systems" formula, the basic Law will stipulate that clearly.

After 1997, the central government will respect the high-level autonomy of Hong Kong. It need not and will not interfere in the specific affairs of Hong Kong, but it is necessary for the central government to retain some powers that are indispensable for a state's central government.

Guarantee

This is a basic guarantee for maintaining the unified national interests. If the central government renounces all powers, chaos that is detrimental to the fundamental national interests and as well as Hong Kong's interests will probably erupt in Hong Kong.

Therefore, it is in the interests of Hong Kong for the central government to keep some necessary powers.

Some people, in an attempt to pit "democracy against communism," suggest that the "democratic process be accelerated" in developing Hong Kong's political system. They favour holding a general election of legislators at a date much earlier than stipulated in the draft Basic Law. They stress that this is the desire of the Hong Kong people in an attempt to create a *de facto* situation to bring the Chinese Government to its knees.

The Chinese Government does not approve of this practice and has reaffirmed repeatedly that China stands for democratization of Hong Kong's political system. But it must conform to the spirit of "one country, two systems" and the process must be gradual, with the balanced participation of all levels of society taken into account.

Briefly, the democratization must dovetail the stipulations of the Basic Law and serve the stability and prosperity of Hong Kong. With regard to the people's will, the central government must pay attention not only to those people who seemingly serve the public interest but actually have ulterior motives, but also to the "silent majority" of the Hong Kong residents. It must heed the views of the Hong Kong residents, but also the views of all the Chinese people.

Some people have discarded the principles of a step-by-step process and conformity with the Basic Law and played once again the card of the "people's will" in order to accelerate the democratization of the political system. This cannot but arouse our suspicions that these people are actually seeking, under the pretext of "democracy," to establish a power pattern in Hong Kong after 1997 that will confront the central government and harm China's sovereignty. This, we resolutely oppose.

Attempts to internationalize the Hong Kong question have also become a notable trend recently. The Chinese

Government has always maintained that Hong Kong's status as an international monetary and trade centre remain unchanged.

The region will continue to develop economic relations with other countries or regions in the world, for this will only favour its stability and prosperity. However, to maintain Hong Kong's role as an international monetary and trade centre and to internationalize the Hong Kong issue are two completely different things.

Those who advocate internationalization of the Hong Kong problem do not proceed from the need of Hong Kong's economic development, but attempt to create a situation where international forces can gradually intervene in Hong Kong's political affairs. Essentially they want to muster anti-Communism and anti-China forces in the world in order to thwart China's resumption of the exercise of sovereignty over Hong Kong.

As is known to all, Hong Kong has been part of China's territory since ancient times. It is only natural that China should resume the exercise of sovereignty over Hong Kong. However, out of consideration for Hong Kong's history and reality as well as for the good Sino-British relationship established after the founding of New China and on the basis of the Five Principles of Peaceful Co-existence, China and Britain finally reached an agreement on the Hong Kong question after serious negotiations.

During the transitional period before 1997, the implementation of the Sino-British Joint Declaration is entirely an affair of the Chinese and British Governments, in which no other country or international organization has the right to intervene.

After 1997, Hong Kong will become a special administrative region of the People's Republic of China. The Chinese Government firmly refuses to make it an area under international condominium. As Hong Kong is an international city, many other countries have their economic interests there.

While China employs the concept of "one country, two systems" to solve the Hong Kong problem, China has shown consideration for other countries' economic interests in Hong Kong. However, the economic interests of other countries in Hong Kong should be protected by the Basic Law and other relevant Hong Kong laws, and no foreign political intervention in Hong Kong's affairs will be permitted.

The argument that those countries having economic interests in Hong Kong naturally share political interests in its future arrangement and therefore can participate in Hong Kong's political affairs, is a theory of hegemony and power politics. In the 1980s, and today when the Chinese people have stood up, such a theory will never work.

In order to carry out the spirit of "one country, two systems," the mainland and Hong Kong should respect each other, get along peacefully, and respect each other's

social system and lifestyle. Both sides should not force one's own political ideas and ideology upon the other. That is to say, Hong Kong practices capitalism, while the mainland follows a socialist road. Well water should not intrude into river water, nor should river water intrude into well water. The Chinese Government opposes any attempts to harm complete state sovereignty and to change "one country, two systems" into "two countries, two systems."

The government also opposes wiping out one system with another and changing "one country, two systems" into "one country, one system." Chinese leaders have stated again and again that the Central People's Government will neither change Hong Kong's capitalist system nor practice its socialist system and policy in Hong Kong. The leaders also hope certain Hong Kong people will not intervene in or attempt to change the mainland's socialist system.

As China's citizens, Hong Kong compatriots undoubtedly enjoy the right of participating in the management of State affairs, according to law. And their opinions and suggestions about the mainland's work will be much appreciated. However, when they participate in the management of State affairs, they must respect the mainland's socialist system and follow the State Constitution and laws. At present, Hong Kong residents enjoy freedom of speech and press. According to the stipulations of the draft Basic Law, they will continue to enjoy these freedoms after 1997. During the transitional period and after Hong Kong has returned to the motherland, Hong Kong compatriots must confine themselves to Hong Kong laws in their speeches and actions, as well as the State Constitution and the relevant laws when they participate in State affairs as Chinese citizens. When Hong Kong compatriots want to raise opinions to the central government, they should do it through legal channels and in a legal way, such as, through the National People's Congress deputies, or the Chinese People's Political Consultative Conference National Committee members, or submitting a written statement and appealing to the higher authorities. If unsuitable means own viewpoints, things might go contrary to their wishes and damage might be brought upon the friendly relationship between the mainland and Hong Kong. People from the mainland and Hong Kong compatriots are all members of the same family, and when dealing with mutual relations, they should stress both legality and reasonableness, show consideration for the differences in politics, the economy, the social system, ideology and values, and try to seek common ground while preserving differences. If one side tries to impose what it favours on the other and acts to hurt the feelings of the other side, that will be harmful both to the State and individuals. Therefore, the Chinese Government hopes that both the mainland and Hong Kong will stress getting along peacefully and make joint efforts to create a good environment in which the concept of "one country, two systems" can be implemented smoothly.

Subversion

Currently, the problem is that there are certain people who use Hong Kong as a base to subvert the Central People's Government and the socialist system on the mainland. They have openly claimed that they plan to overthrow the central government and push Western "democracy, freedom and human rights" into the mainland. They have viciously attacked and slandered Chinese leaders, creating various rumours to launch anti-Communist and anti-socialist sentiments, and even penetrated into the mainland to support and take part in activities of illegal organizations. They added fuel to the flames when the turmoil and counterrevolutionary rebellion took place in Beijing in May and June. They plotted to help the counterrevolutionary rioters wanted by the central government to secretly flee away and took them in. All their subversive activities are in violation of the desire and interests of the Chinese people and have resulted in harming the stability and prosperity of Hong Kong.

The establishment and consolidation of the socialist system on the mainland has embodied the objective law of China's modern social movement. Since the founding of the People's Republic of China 40 years ago, socialism has made China with its 5,000-year-old civilization re-emerge with vigor into a prosperous country from a poor and backward nation. Today socialist China is playing an increasingly important role in world affairs. It is socialism that helped the Chinese people stand up, and no longer suffer from the bullying and humiliation of imperialists and colonialists. All the overseas countrymen and countrymen of Hong Kong and Macao have deeply felt it from their own experience. Only when the socialist motherland is prosperous and strong can capitalist Hong Kong be stable and prosperous. We don't want the compatriots of Hong Kong to accept the socialist system. We believe that all patriots, who support the reunification of China, preserve China's national dignity and wish China to be prosperous, will surely understand why 1.1 billion Chinese people on the mainland chose the socialist road.

To implement the spirit of "one country, two systems", Hong Kong and the mainland should benefit each other in economy because both sides have many common interests and much room to develop and promote social prosperity. Common interests have closely linked Hong Kong with the mainland. The prosperity and stability of Hong Kong relies on the support of the mainland. Without rich and cheap natural resources, labour, food, fresh water and daily necessities provided by the mainland, the economy of Hong Kong could not sustain prosperity and development for every long. Hong Kong is also a door for all countries of the world to enter China. With the mainland pursuing the policy of reform and opening to the outside world, Hong Kong has gained many benefits from economic activities between China and other countries.

Reform, opening up to the outside world and construction of the mainland also need Hong Kong's foreign ties. It needs to increase exports of raw materials and products, introduce capital, technology and advanced management experience through Hong Kong. Their shared economic interests demand that, when handling their economic relations, they stress mutual benefit and common development.

Since the Sino-British Joint Declaration was signed in 1984, the British Government has been responsible for the administration of Hong Kong during the transitional period. Whether Sino-British relations are good or not directly influences relations between Hong Kong and the mainland.

For five years China and Britain have maintained friendly cooperation in implementing the joint declaration, which indicates that the two countries have a common interest on the question of Hong Kong. In June, the Chinese Government put down in Beijing a counter-revolutionary rebellion aimed at overthrowing the leadership of the Communist Party and socialist system. This is entirely China's internal matter. China did nothing to hurt others and it does not want to be hurt by anyone else. Currently, the Sino-British relations are abnormal, and responsibility does not lie with the Chinese. The Chinese people do not want to see such a situation. China is a polite country and pays attention to courteous reciprocity.

On the question of Hong Kong China believes in consultation, mutual understanding and accommodation. The Chinese people cannot accept pressure being exerted upon them. The Chinese Government has repeatedly reaffirmed that its policy of reform and opening to the outside world won't change. Its policy of "one country, two systems" also remains unchanged. The Chinese people will always observe the Sino-British declaration. Whatever happens, China will not budge from the joint declaration. China and Britain should maintain and develop good relations of co-operation to ensure a smooth transitional period for Hong Kong.

Recently, people often speak of the future and confidence of Hong Kong. We consistently consider that the fundamental conditions for preserving stability and prosperity of Hong Kong such as its unique geographical environment, comparatively stable society, free and open economic system and policy, the industrious and ingenious five million compatriots of Hong Kong, the economic ties of Hong Kong with the mainland and preference of transfer of trade, as well as the policy of "one country, two systems" and other policies adopted by the central government towards the settlement of the question of Hong Kong, still remain and will not fundamentally change.

If China and Britain continue to co-operate on implementing the joint declaration and if Hong Kong maintains and develops a mutual respect and beneficial relationship with the mainland, Hong Kong will retain its unique vitality. Its future will be bright.

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